

2023 Modern Slavery Statement

December 2023

laser**clinics**
G R O U P

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Introduction

This statement is made on behalf of the Aesthetics Australia Holdings Pty Ltd (ACN 621 040 230), 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 2023 (“Reporting Period”).

The Reporting Entities and its subsidiaries are ultimately wholly-owned by Aesthetics Australia Holdings Pty Ltd (ACN 621 040 230) 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 "GROUP".

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

DRROEBUCK'S

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

Skinstitut™

1. Our Structure & Operations



The Laser Clinics Group continued to operate a laser, skin care & cosmetic clinic network across Australia that provides laser hair removal, cosmetic injections and advanced skin and body treatments.

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	56	79
New Zealand	11	9
United Kingdom	8	40
Singapore	0	1
Canada	5	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) primarily 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 also 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).

1. Our Structure & Operations

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.

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 LCS Operations Pte Ltd (Co. number 202102787E). LCS Operations Pte Ltd is wholly-owned by LCA Operations Pty Ltd and was a 75% shareholder of the Singapore clinic entity during the reporting period.

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 were all operated by LCC Operations Limited.

The Laser Clinics Group uses its scale and buying power to purchase some goods and services on behalf of the wholly-owned and franchisee clinics within the global network.

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 all of the modern slavery practices within each franchisee entity within the Group. Within this statement, the Group will:

- Include some information about the supply chain for franchisee clinics where the Group secures the purchasing arrangements for franchisees;

Report on operational, labour and supply chain practices the Group promotes through its activities as a shareholder and a franchisor to assess and address modern slavery practices within its clinic network.

1. Our Structure & Operations

DR ROEBUCK'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).

These skincare businesses involve a distinct supply chain from the clinic network. Within this statement, the Group will report on some tier 1 suppliers to the skincare businesses.

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 2023, the Laser Clinics Group employed approximately 2,626 employees, a breakdown of which is shown in the table on the right.

Australian State / Territory or Country	Number of Employees
Australian Capital Territory	116
New South Wales	677
Northern Territory	10
Queensland	344
South Australia	76
Tasmania	40
Victoria	433
Western Australia	137
United Kingdom	533
New Zealand	193
Singapore	14
Canada	53
Total	2,626

2. Our Workforce

At 30 June 2023, 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 on the 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	1,239 (47.2%)
Part Time	860 (32.7%)
Casual	527 (20.1%)

2. Our Workforce

Within wholly-owned clinics, Laser Clinics Group employs individuals who perform the following roles:

Role	Duties
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 Head Office

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.

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 Company also has support office roles based in the United Kingdom, New Zealand, Singapore and Canada. The breakdown of employees fulfilling the above corporate functions is detailed to the right.

State or Territory	Number of Employees
New South Wales	111
Queensland	7
South Australia	1
Victoria	8
Western Australia	3
Australian Capital Territory	2
United Kingdom	39
New Zealand	4
Singapore	2
Canada	9
Total	186

Our Head Office

The type of employment for these employees at 30 June 2023 is to the right.

Type of Employment	Number of Employees
Full Time	158 (84.9%)
Part Time	11 (5.9%)
Casual	17 (9.1%)

Our Supply Chain

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

Laser Clinics Group



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 (such as laser hair removal devices) 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.

Dr Roebuck's & Skinstitut



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 fragrances, manufacturing services, packaging, distribution services, and branding and marketing services.

Head office and international offices

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.

The international offices utilise global supplier relationships and source goods and services from within the local jurisdictions.

3. Our Supply Chain

In summary, due to the nature of our business, the Group's supply chains are global and span across a variety of industries including:

1. Property including rent and facilities maintenance,
2. Clinical devices and supplies including laser hair removal and skincare devices for clinic treatments,
3. Marketing, media and promotional companies,
4. Banking and professional services including financial, legal and professional consulting companies,
5. Human resources including recruitment, management and payroll services,
6. IT service providers,
7. Skincare manufacturers.

For the purposes of this report, the group nominated to review suppliers in categories (a) and (b) above. This included reviewing the Modern Slavery Statements published by these suppliers on the Australian Border Force Register (where available) or international registers and reviewing publicly available information on the supply chains for these selected suppliers.

3. Our Supply Chain

From this review, it was noted that:

- All suppliers (except 1) engaged in a review of their suppliers including supplier due diligence and risk assessment,
- All suppliers have governance policies regarding conduct within their business such as Code of Ethics, anti-discrimination, human resources policies for hiring workers, and terms of labour and employment,
- The majority of tier 1 suppliers identified by these suppliers are in developed locations such as Australia, New Zealand, United States and Europe,
- The majority of suppliers engage in training and discussions with employees about modern slavery risks and labour practices.

We note that it is difficult to review the supply chains for products and devices in more detail due to the widespread nature of manufacturing of these goods.

3. Our Supply Chain

The below list identifies:

- Country of origin of the entities that the Group contracts with across all industries, and
- Where known, the countries that these entities manufacture and source goods and service.
 - Australia
 - New Zealand
 - United States of America
 - People’s Republic of China
 - Mexico
 - United Kingdom
 - Canada
 - Republic of Korea
 - Brazil
 - Sweden



Country or region of origin for supply chain products and services.

4. Modern Slavery Risks

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

Modern Slavery Risks In Our Operations And Supply Chains

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
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.
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 and devices	The equipment and devices 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.

4. Modern Slavery Risks

Supply chains (cont.)

Category	Generally known modern slavery risks
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.
Property	This includes rent of premises, and property and facilities services such as cleaning, maintenance and waste management. 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.
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 human resources (recruitment, payroll), 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.

5. Actions taken

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.

5. Actions taken

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, international databases or suppliers' websites) 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 and all suppliers that returned a questionnaire agreed to comply with our Supplier Code of Conduct.
- Raised awareness of modern slavery risks through sharing the Group's FY22 statement and communicating the Group's Modern Slavery obligations.
- We continued to include modern slavery terms in our supply contracts and procurement terms and conditions.
- We continued to include our supplier code of conduct through contractual terms.
- Issued the modern slavery questionnaire to key suppliers and assessed their responses for areas of risk.
- We commenced developing an end to end procurement framework that incorporates as modern slavery assessment as part of the selection process. Part of this framework development included greater analysis of suppliers engaged across the group.
- Reviewed the information available about the manufacturer of the key devices used within the Laser Clinics network. This review indicated a strong commitment to prevention of modern slavery and human rights violations.

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.

6. Assessing effectiveness

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
- The Executive representative will continue the 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 and considering such assessments in the selection of suppliers
 - continuing to embed our supplier code of conduct and communicate expectations to suppliers

- issuing 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.

6. Assessing effectiveness

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 Neil Lake, a responsible member of the principal governing body on 11 December 2023.

Neil Lake
Director, Aesthetics Australia Holdings Pty Ltd
Chief Executive Officer, Laser Clinics Group

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