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McPherson's Limited FY25 Modern Slavery Statement

31 October 2025

Reporting requirements of the Modern Slavery Act 2018 (Cth)

Mandatory Reporting Criteria	Section
Description of our structure, group operations and supply chain	1
Description of the risks of modern slavery practices in our operations and supply chains	2
Actions taken to assess and address those risks	3
Assessing the effectiveness of those actions	4
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Message from our CEO and Supply Chain Director

McPherson's Limited (ABN 98 004 068 419), and its subsidiaries (**McPherson's**), are suppliers of some of Australia's well-known essential health, beauty, and wellness products. McPherson's portfolio is anchored in five iconic core household brands: Manicare, Lady Jayne, Dr LeWinn's, Swisspers and Fusion Health.

For clarity, all references in this statement to "our" and "we" are references to McPherson's.

Modern Slavery remains a pressing human rights challenge. With our supply chain spanning multiple countries, we recognise our responsibility to ensure that the way we operate and source is both ethical and sustainable.

This Modern Slavery Statement, issued under the *Modern Slavery Act 2018* (Cth), covers the period 1 July 2024 to 30 June 2025 and outlines the steps McPherson's has taken to identify and address its modern slavery risks and maintain a responsible and transparent supply chain.

This Modern Slavery Statement has been prepared in consultation with relevant areas of the McPherson's business.

The McPherson's Board of Directors approved this statement on 31 October 2025.



Brett Charlton
Chief Executive Office & Managing Director



Stuart Macaulay
Supply Chain Director

Date: 31 October 2025

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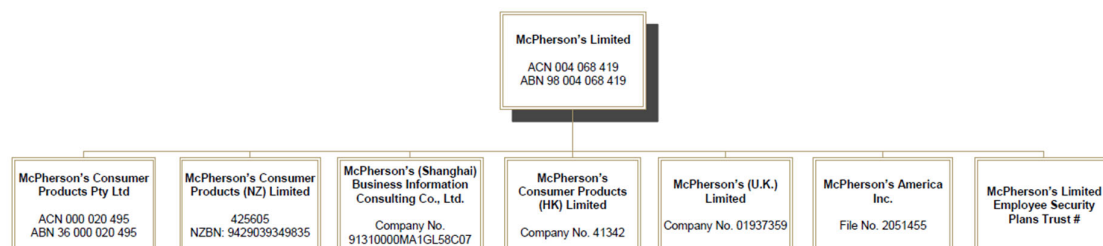
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FY25 Modern Slavery Statement

1. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

1.1 Our Organisational Structure

McPherson's Limited (ABN 98 004 068 419) is the ultimate holding company which oversees the McPherson's group's operations as listed below (collectively the **McPherson's Group**).



1.2 Our Governance

- (a) McPherson's Limited Board of Directors (**Board**) is committed to achieving and maintaining the highest standards of corporate governance. This is essential for the long-term performance and sustainability of the McPherson's Group and to protect and enhance the interests of securityholders and other key stakeholders.
- (b) The Board regularly reviews the McPherson's Group's corporate governance policies and practices, as well as developments in market practice, stakeholder expectations and regulations that are relevant to the McPherson's Group's sector and geographic reach.
- (c) These reviews seek to ensure that changes to McPherson's business activities, regulatory requirements and market expectations are reflected in its corporate governance and operational models.

1.3 Our Operations

- (a) McPherson's is a supplier of some of Australia's well-known essential health, beauty, and wellness products. McPherson's portfolio is anchored in five iconic core household brands: Manicare, Lady Jayne, Dr LeWinn's, Swisspers and Fusion Health. McPherson's strategy is to invest in and grow these brands through the pharmacy, grocery and e-Commerce channels.
- (b) In addition, McPherson's supplies a supporting portfolio of other popular brands in attractive segments of the market including haircare, vitamins and supplements, fragrance, and nutrition. McPherson's is headquartered in Sydney and is listed on the Australian Securities Exchange.
- (c) Manufacturing is outsourced to various suppliers, predominantly in the Asian region and Australia.
- (d) McPherson's maintains a presence in Hong Kong, focused on product sourcing from contracted manufacturers and quality assurance. McPherson's also maintains a presence in mainland China, focused on sales and marketing and operates a small graphics design team in Manila to support brand and product development activities.

1.4 Our People

As at 30 June 2025 the McPherson's Group employed a total of 219 employees across its operations. The following table summarises our workforce profile:

	Male	Female	Total
Total Employees (excluding Executive Leadership Team (ELT))	82	128	210
Number of ELT members	5	4	9
			219

1.5 Our Supply Chain

- (a) The main categories of goods and services procured from our Tier 1 (direct) suppliers are outlined in Table 1.
- (b) Our goods (in descending order of spend) are purchased from Peoples Republic of China, Australia, Hong Kong SAR, South Korea, Taiwan, Pakistan, India, Indonesia, the United States of America, Thailand, France, Türkiye and the United Kingdom. The main categories of goods are also set out in the left-hand side of Table 1.
- (c) Most of our services are procured from Australian based organisations (or subsidiaries of a global entity), as outlined in the right-hand side of Table 1.

Table 1 – Main Categories of Goods and Services

Goods	Services
Finished Goods - bags / wrap / foil*	Advertising, marketing, and promotions
Finished Goods - health / beauty / wellness	Building, construction, and fabrication services (property leasing)
Office and building supplies and services	Hire cars, fleet, consumables, and maintenance
Packaging materials, containers, and storage	ICT Software, networking, and support services
	Logistics, warehouse, and transport services
	Print / Mail Provider
	Professional services
	Property and facility maintenance services
	Real estate / property management services
	Retail sales and distribution
	Travel, parking, and accommodation
	Utilities

***Note:** The Company's 'Multix' brand was sold in June 2024 to ICBG. However, McPherson's continued to provide transitional services to ICBG under a Transitional Services Agreement until October 2024.

2. MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

2.1 Operational Risks

- (a) McPherson's core modern slavery risks includes the potential of sourcing materials which have been manufactured or sourced from groups, countries or regions where unethical labour standards or other unconscionable practices occur, and modern slavery in terms of work conditions for local workers/subcontractors.
- (b) Overall, McPherson's continues to consider the risk of modern slavery within its direct business operations to be relatively low. This is based on our review of three risk indices (Industry, commodity / product, geography), the work undertaken in this space in this reporting period (see section 3), and our existing controls.
- (c) However, McPherson's recognises the importance of raising awareness of modern slavery amongst our staff and developing their capabilities; particularly those managing potentially high-risk areas of our business such as operations and procurement.
- (d) Progress on improving the maturity of our supply chain and procurement management systems is captured in Section 3 of this Statement.

2.2 Supply Chain Risk

- (a) McPherson's has a Supplier Code of Conduct which sets out our ethical standards, which we expects our suppliers to follow. These suppliers are a mix of international and Australian suppliers. Suppliers are provided with a copy of the Supplier Code of Conduct when they first sign on as a supplier for McPherson's. It is made clear that suppliers are expected to comply with the Supplier's Code of Conduct and that McPherson's reserves the right to terminate a supplier relationship if any material non-compliance with the Supplier Code of Conduct is discovered. McPherson's also enters (or seeks to enter) into written supply contracts with its suppliers with contract terms requiring modern slavery compliance. Again, McPherson's reserves the right to terminate a supplier relationship if any material non-compliance with written supply contracts is discovered.
- (b) McPherson's has analysed the FY25 procurement data for potential modern slavery risk against the following internationally recognised risk indices:
 - (i) Industry Sector;
 - (ii) Commodity / product; and
 - (iii) Geographic location.
- (c) **Table 2** sets out the modern slavery prevalence rating for the countries in our supply chain where we source products. As defined by the Global Slavery Index 2023, the prevalence represents the estimated number of people living in modern slavery per 1,000 population. This measure is important because it highlights the relative risk of modern slavery in each country. While prevalence ratings are calculated at a country level rather than by sector or company, comparing them with our procurement spend provides insight into where potential risks may be higher and helps guide how we can prioritise due diligence and supplier engagement.

Table 2

Country	Prevalence Rating [#]	Percentage of spend
Türkiye	15.6	0.1
Pakistan	10.6	4.0
India	8	2.0
Indonesia	6.7	1.5
Thailand	5.7	0.7
China	4	32.1
South Korea	3.5	5.5
United States	3.3	1.0
Hong Kong	2.8	17.4
France	2.1	0.6
United Kingdom	1.8	0.1
Taiwan	1.7	5.4
Australia	1.6	29.5
TOTAL		100.00

[#] The prevalence ratings are from the Global Slavery Index 2023. <https://www.walkfree.org/global-slavery-index>

- (d) Based on this analysis, approximately 45.9% of McPherson's procurement spend is on goods sourced from countries with a modern slavery prevalence rating of 3.5 or more, meaning less than half of our procurement spend is in countries where modern slavery risks are moderate. Türkiye, Pakistan, and India were identified as the highest-risk countries based on prevalence ratings, but together our procurement spend in these countries represented only 6.1% of our total procurement spend.
- (e) Approximately 54.1% of McPherson's procurement spend is on goods sourced from countries with a modern slavery prevalence rating of less than 3.5, indicating that over half of our procurement spend is in countries where modern slavery risks are relatively lower. Australia and China, identified as low-moderate risk countries based on prevalence ratings, accounted for a significant 61.6% of our total procurement spend.
- (f) This illustrates McPherson's dual-lens approach, both on high-spend countries with moderate risk (based on their prevalence ratings) and in low-spend countries with elevated risk, which guides our due diligence approach and supplier engagement.
- (g) During the reporting period, McPherson's completed a targeted supply chain mapping exercise (see paragraphs 3.2(e) and (f) below). This work extended beyond country-level prevalence ratings to examine risks at the material and product level across our Tier 1 suppliers. The mapping identified cotton and collagen as high-risk materials due to their documented links to child labour, debt bondage, and forced labour in sourcing regions. In particular, SKUs manufactured in India were highlighted as having heightened risk given the combination of high prevalence and vulnerability scores, coupled with a weak government response rating under the Global Slavery Index 2023.

3. ACTIONS TAKEN TO ASSESS AND ADDRESS OUR RISKS

The following actions were completed during the reporting period:

3.1 Enhancing Internal Risk Management and Compliance

- (a) Prior to the start of FY25, McPherson's completed a comprehensive review of its risk and compliance approach, including a refreshed framework, updated risk matrix and consequence table, and clearer procedures. This framework was also supported by the rollout of a new software-as-a-service tool that improved record-keeping, analysis, and reporting of material risks and compliance obligations.
- (b) In FY25, with the foundations in place, McPherson's shifted its focus towards supplier orientated risk management actions, outlined in section 3.2 below.
- (c) The risk of non-compliance with the *Modern Slavery Act 2018* (Cth), along with possible reforms tabled in the review report presented to Parliament on 25 May 2023, has been added to McPherson's risk register. Following the Government response to the review report on 2 December 2024, McPherson's continues to monitor legislative developments to ensure readiness if reforms are introduced.

3.2 Managing Risk in our Supply Chain

- (a) As part of the business transformation that commenced in August 2023, McPherson's reviewed its entire portfolio of brands and associated SKUs. This review continued through FY25 with a focus on simplifying and strengthening supply chain oversight.
- (b) The divestment of the Multix brand and its associated timber-based products, completed in the previous reporting period, enabled us to reduce the total number of SKUs and streamlined purchasing jurisdictions during this reporting period. This also eliminated exposure to risks linked with timber supply chains. Together, these changes have lowered complexity and reduced inherent modern slavery risks in our operations.
- (c) During FY25 and subsequently, McPherson's has been consolidating, and continues to consolidate, its active supplier base, including a target of reducing the number of formulated product suppliers from eleven to four. Fewer suppliers should enhance supplier relationships and visibility on compliance including the monitoring of modern slavery risks.
- (d) Another positive step at managing our risk was reducing our reliance on imported timber-based packaging into Australia by transitioning to Australian producers. This shift away from higher-risk geographies has given us enhanced confidence in supplier practices.
- (e) Building on these changes, in FY25 McPherson's completed its first comprehensive supply chain mapping exercise. This mapping exercise gave us a clearer picture of our material supply chain risks and opportunities. For example, cotton and collagen maybe high-risk inputs due to their documented links with child labour, debt bondage and forced labour in sourcing regions.
- (f) To address these risks, McPherson's has taken steps to strengthen supplier accountability and embed modern slavery considerations into procurement processes. Further details of the actions planned for the next reporting period are set out in Section 5 below.
- (g) These planned actions will strengthen supplier accountability and support more informed procurement decisions that align with our ethical sourcing commitments.
- (h) Alongside these initiatives, McPherson's continued to require suppliers to acknowledge and sign our Supplier Code of Conduct, embedded modern slavery compliance requirements into our contracts, and delivered risk awareness training our procurement team. These steps allow our teams to be better equipped at spotting and addressing risks as they arise.

- (i) By simplifying the supply chain and embedding standards, McPherson's has sought to reduce our overall modern slavery risk profile and create a solid foundation for more targeted and collaborative engagement with our suppliers.

4. EFFECTIVENESS ASSESSMENT

- (a) McPherson's manages its modern slavery risks by leveraging the following review processes to ensure we make tangible progress towards achieving compliance.
- (b) Board Annual Review – the McPherson's annual Modern Slavery Statement is approved by the Board in accordance with mandatory reporting requirements.
- (c) The recently completed supply chain mapping exercise provided a new baseline against which McPherson's can measure effectiveness. By linking SKU-level risk indicators to procurement decisions, McPherson's is able to demonstrate whether exposure to high-risk products and geographies decreases over time.
- (d) Risk & Compliance Committee Review - action plan progress, issues and achievements are regularly reviewed by the Risk & Compliance Committee of the McPherson's Limited Board as part of the McPherson's risk management and compliance framework. On behalf of the Board, the Risk & Compliance Committee monitors, reviews and receives reports from management under that framework.

5. PLANNED IMPROVEMENTS

To further enhance our approach to modern slavery risk management, McPherson's has identified a series of planned improvements for the next reporting period. These initiatives are designed to enhance transparency across our supply chain, improve the consistency of risk assessments, and ensure that areas of higher risk receive targeted attention.

(a) Strengthening Supplier Risk Assessment and Due Diligence

- Continue to identify modern slavery risks among Tier 1 suppliers by assessing geography, product type, and spend, using public data sources such as the Global Slavery Index.
- Conduct desktop reviews of high-risk Tier 1 suppliers to verify working conditions and ethical compliance, with the option to engage an independent third-party auditor where appropriate.
- Issue and analyse a modern slavery questionnaire to suppliers to provide visibility into supplier policies, practices, and controls. Responses will guide further engagement, audits, and corrective actions.

(b) Deepening Supplier Engagement and Accountability

- Continue to ensure all Tier 1 suppliers acknowledge and sign McPherson's Supplier Code of Conduct, which explicitly prohibits engaging in modern slavery.
- Continue to carry out targeted audits of high-risk suppliers, leveraging SEDEX's data-led tools and the SMETA social audit.
- Annually review high-risk SKUs and, where necessary, transition to lower-risk ingredients or sourcing regions.

(c) Ongoing Monitoring and Response

- Continue to conduct annual reviews of supplier risk assessments and update risk ratings when supplier conditions or sourcing countries change.

- Continue to improve existing escalation protocols to investigate and respond to any modern slavery concerns raised about suppliers.
- Continue to provide training to supply chain staff to build awareness of red flags and effective engagement with suppliers.

6. PROCESS OF CONSULTATION WITH ENTITIES OWNED OR CONTROLLED

- (a) McPherson's has a controlling interest in all entities included in this report.
- (b) Because the entities share the same key personnel, policies, and systems, consultation was carried out across the group as a whole. Work to develop, implement, and review initiatives to address modern slavery risks is applied consistently across the reporting entity and its subsidiaries.

7. OTHER INFORMATION

There is no additional relevant information during this reporting period.