

MaCher
— AUSTRALIA —

IMPACT REPORT 2024



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ABOUT US

MaCher Australia has over 40 years’ experience designing, developing, sourcing, and manufacturing gift with purchase products and premium packaging for the wine, liquor, health, beauty, and FMCG industries.

Through considered design, sustainable and ethical sourcing, and a strong understanding of our clients’ business needs, we work with clients to solve sustainability challenges using industry insights, data, and circular design principles.

Our supply chain strengths enable us to create solutions that are authentic to our clients’ brands, strategically helping them increase sales, launch new products, gain and retain consumer loyalty, and raise brand awareness.

ABOUT THIS REPORT

This is our fourth year reporting our environmental and social responsibility performance. This year, we’ve transitioned from a ‘CSR & Sustainability Report’ to an ‘Impact Report’, which includes more detailed reporting of our performance over time.

This report documents our ESG performance for the

"With innovation, expertise, creativity & global manufacturing capability, we’re working towards driving impactful environmental change by creating premium packaging and custom products that are reusable, recyclable, and responsible."

2024 calendar year, providing visibility on how we’ve performed against our commitments.

Unless otherwise specified, the currency used is Australian Dollars (AUD). This report is authored in-house and endorsed by the MaCher Australia management team.



FROM OUR GENERAL MANAGER



As a business, we are now moving into our sixth year of striving to use the work we do as a force for good. We have continually developed our vision, with sustainability being a key part of our strategy. In 2024, we turned our focus to progressing our governance achievements, pursuing global best-in-class certifications that verify the years of work we’ve done to ensure that what we produce, and the way we do it, is both ethical and sustainable.

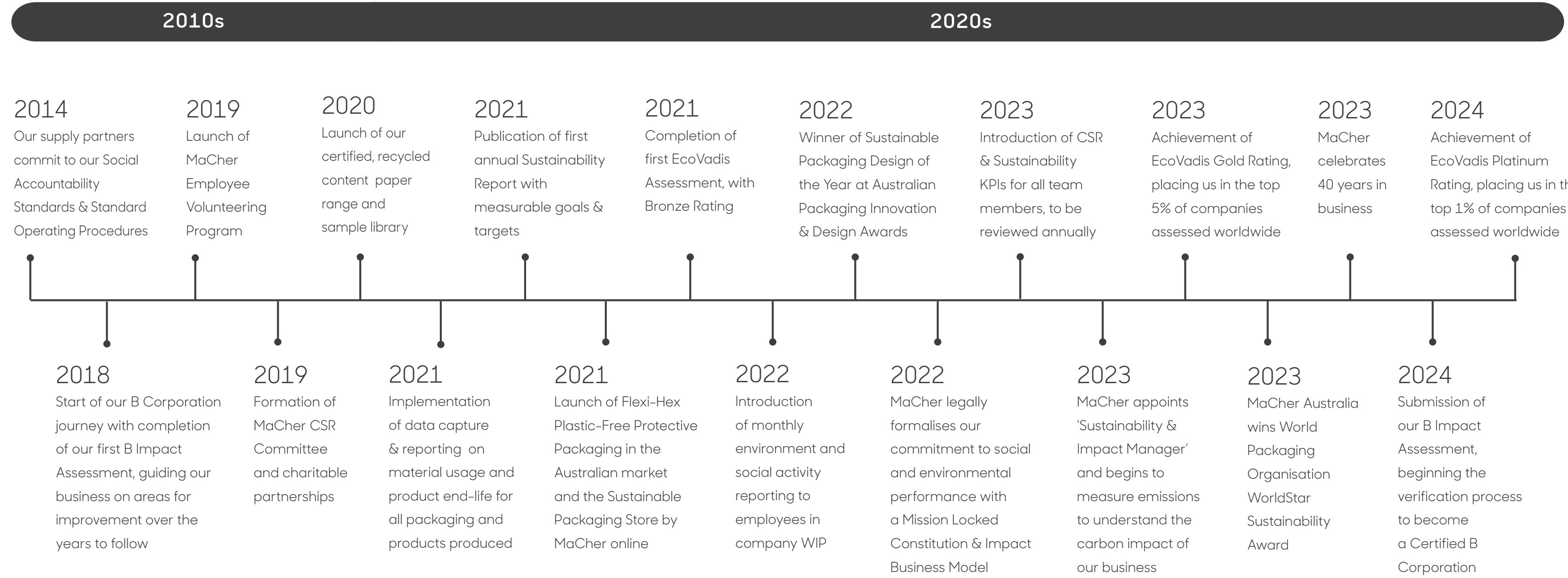
Our achievement of an EcoVadis Platinum Rating, an improvement from our previous Gold Rating, was a huge milestone for our team, placing us in the top 1% of sustainable companies assessed by EcoVadis worldwide. This report also demonstrates the efforts we have taken to prepare for our B Corp Certification. We are committed to becoming a certified B Corp and are

currently working through verification with their auditing team, with the intention of becoming certified in 2025. Both the EcoVadis and B Corp assessments have been invaluable tools in our business, guiding us as we strive to improve our performance year on year.

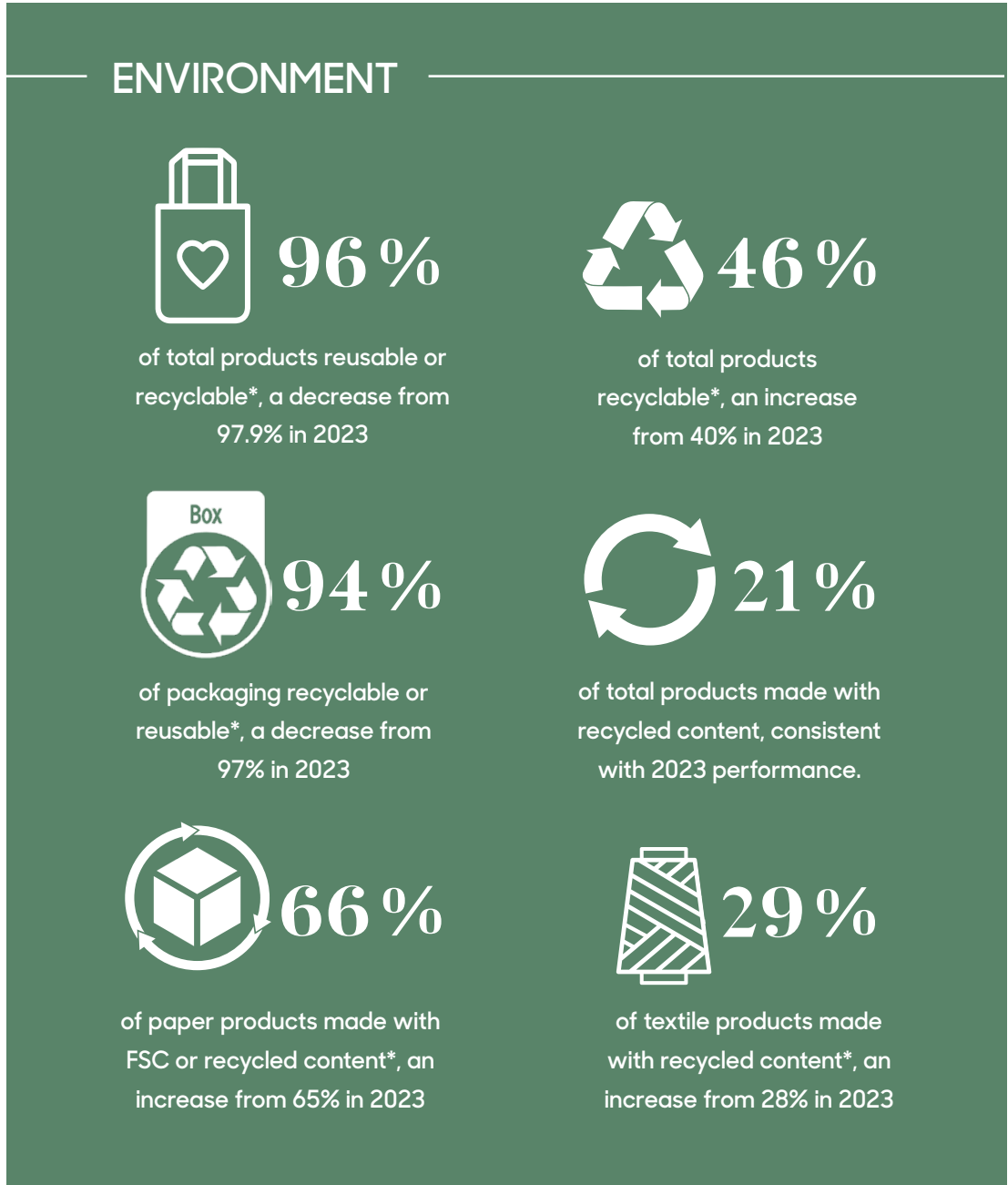
Looking forward, we consider our environmental, social, and governance performance to be an essential driver of our future business growth. Our team will continue to advance our understanding of the complex social and environmental challenges faced by our business and our clients, striving to be a solutions-oriented partner through both our service and product offering.

Simon Back
General Manager, MaCher Australia

11 YEARS OF COMMITMENT - OUR JOURNEY SO FAR



2024 HIGHLIGHTS



ENVIRONMENT

INTRODUCTION

MaCher’s environmental performance remains a major priority for our stakeholders, particularly our employees, clients, and management team.

In 2024, we brought together years of data to deepen our understanding of our strengths and areas for improvement under the categories of ‘Our Work’ and ‘Our World’.

Our goal remains to be a source of continual ‘best-practice’ information and solutions for our clients and partners, while challenging ourselves individually and collectively to play our roles in being part of a sustainable future.

This will be a constant learning process. With our ability to harness our team’s knowledge, passion, skill, and commitment in the areas of design, product development, and manufacturing, we are uniquely positioned to help our clients, whilst striving to improve the environmental performance of our own operations.

We divide our environmental pillar into **two categories**:

Our Work

Product stewardship for the packaging and custom products produced for our clients.

Our World

MaCher’s office site, supply chain, and operations that enable us to excel in our work.

OUR SUSTAINABILITY STRATEGY

1. Embed our CRAFT* values in all relationships and decisions we make as a business.

2. Consider product end-life throughout the product development phase, designing products that are easily recyclable or intended for reuse (with a high perceived value by the end user).

3. Design product and packaging solutions with a considered use of raw materials, using responsibly sourced and/or recycled content where possible.

4. Reduce unnecessary materials as part of our product and packaging design process, minimising end consumer waste.

5. Maintain a diligent QC process throughout all stages of production, minimising fault rates and waste.

6. Select suppliers that are committed to adhering to our Social Accountability Standards (SAS), Standard Operating Procedures (SOP), and the UN Sustainable Development Goals.

7. Measure, assess, and report our ongoing performance to specified sustainability targets in our publicly available, annual ‘Impact Report’.

8. Integrate social and environmental performance principles and practices into management and employee training, performance goals and reviews.

9. Maintain ongoing memberships and certifications with key industry bodies:

ecovadis

APC

PREP

AIP

Sedex

* Detailed overview of our CRAFT* values in ‘Social’, p.23

OUR WORK: CONSIDERED DESIGN

Our environmental product stewardship begins at project brief stage, as clients talk us through the project or challenge they need a solution for.

As design to manufacture specialists, each department in our business has extensive experience working on projects from conceptual ideation through to production.

Our team understand the environmental challenges that present themselves along the way, and work to guide and inform, so that products meet client brand objectives, whilst also being environmentally responsible.

WHAT THIS MEANS FOR PRODUCT DESIGN

- Designing reusable products for longevity so that they are on trend, engaging, and desirable to the end user.
- Designing packaging for kerbside recyclability and material recovery.
- Specifying responsible materials
- Critically reviewing existing product specifications and offering more sustainable alternatives.
- Remaining informed of consumer trends, and material and manufacturing innovation
- Reviewing samples at multiple stages of development and production to ensure design intent is achieved.



Environmental considerations form an important part of our response to each design brief. Our clients and their consumers have a wide range of goals they want to achieve, whilst also ensuring the end result is enticing and reflects their brand personality.

OUR WORK: CORE PRODUCT SOLUTIONS

We specialise in creating sustainable luxury packaging & custom products that are reusable, recyclable, and responsible. By working across a wide range of materials and substrates, we're able to 'design to need', providing clients with tailored, innovative solutions that meet their evolving requirements.

Sustainable Materials Swatch Library

We are continuously expanding our range of innovative, sustainable material and manufacturing solutions across all product categories. We have in-house, accessible samples available for staff and client use and educational tools to assist implementation.



RECYCLABLE PACKAGING

- Suitable for kerbside recycling
- FSC & recycled content boards & papers
- Recyclable varnishes & plant-based laminations
- Rigid core, art card, kraft board and corrugate
- Paper 'ribbons', textured papers and boards
- Tin & timber
- Moulded fibre pulp



BAGS & ACCESSORIES

- Plant-based fibres – cotton & jute
- Post-consumer recycled polyester
- Recycled content PU
- Organic & recycled content cotton
- Paper 'straw'
- PVC free PEVA and TPU



LIFESTYLE PRODUCTS

- Bamboo & FSC Timber
- Semi-precious stones
- Recycled content textiles
- Soy wax candles
- Reusable, on-trend product design

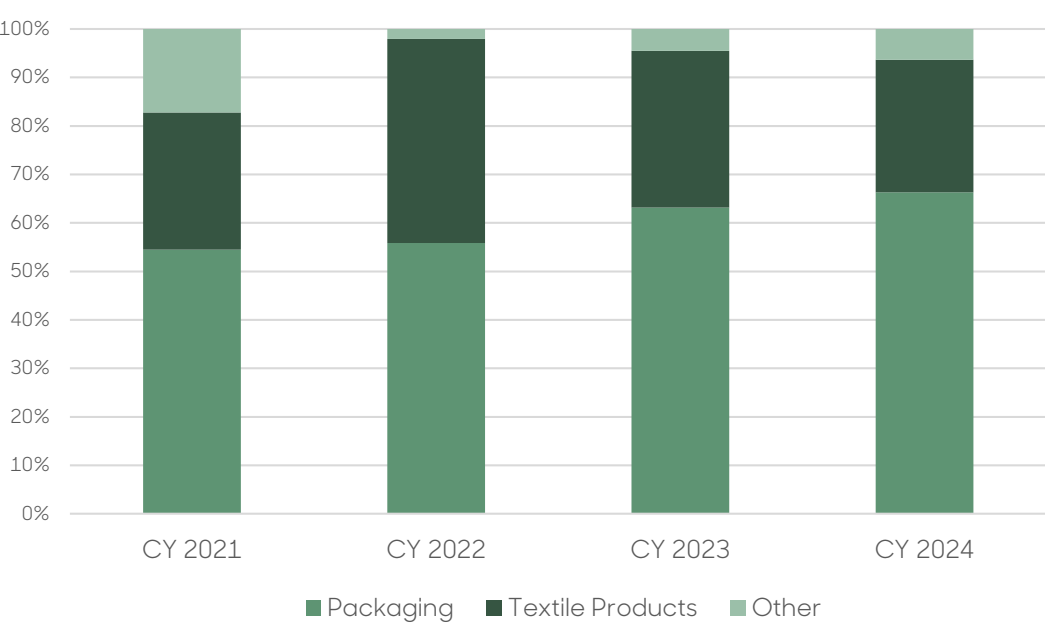
OUR WORK: PRODUCT STEWARDSHIP - OVERVIEW

In 2021 we began to capture, measure, and report data on the products we produce for our clients. We originally focused on product type and whether the item was designed to be recyclable, reusable, or end up in landfill at the end of its use.

In subsequent years we began to measure and report on more detailed product specifications and set targets based on this data. Refer to p. 40, Appendix, 'Goals & Targets'.

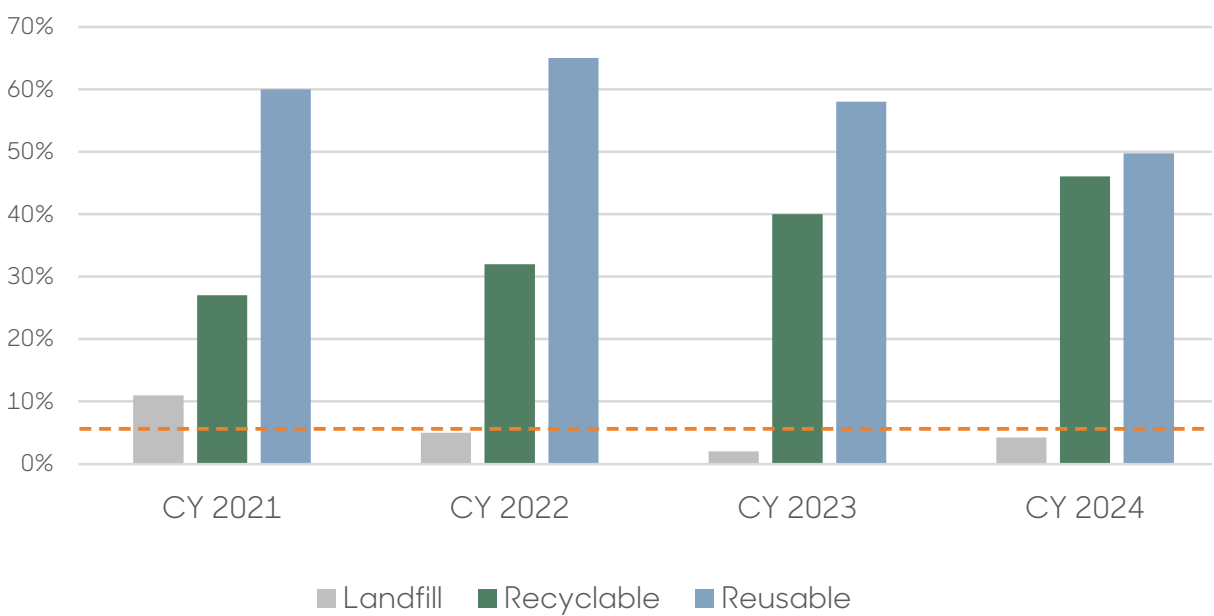
PRODUCT MATRIX - ALL PRODUCTS

% annual revenue, calendar year.



PRODUCT END-LIFE - ALL PRODUCTS (Landfill, Recyclable, Reusable)

% annual revenue, calendar year.



----- Landfill end-life target: < 5%
CY24 met target, but increased to 4% from CY23 result of 2.11%. Increase attributed to paper-based product measuring under 50mm in width and depth, therefore classified it as 'not recyclable' through Australian recycling facilities.

DEFINITION OF END-LIFE CLASSIFICATIONS:

Landfill
Not intended for reuse and not kerbside recyclable.

Recyclable
Through Australian kerbside collections, as assessed by APCO's PREP tool.

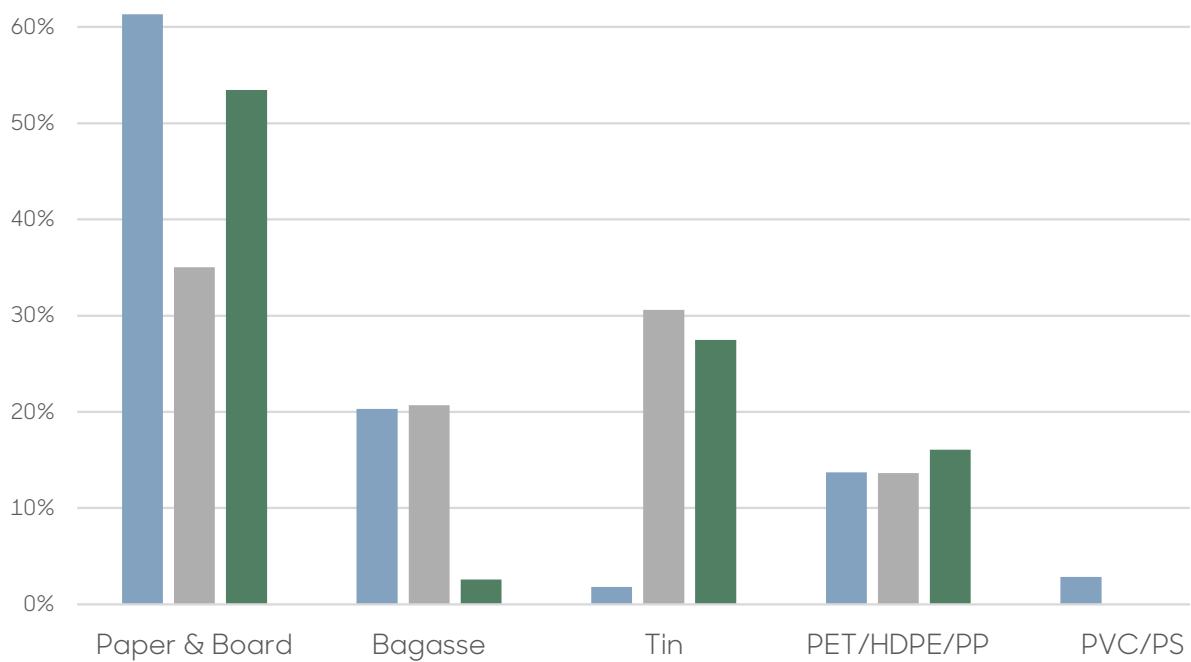
Reusable
On-trend at time of market release, made to a quality level that will sustain reuse, designed to create a high perceived value by the end user.

OUR WORK: PRODUCT STEWARDSHIP – MATERIALS

KEY: ■ CY 2022 ■ CY 2023 ■ CY 2024

PACKAGING ONLY – MATERIAL SUBSTRATES

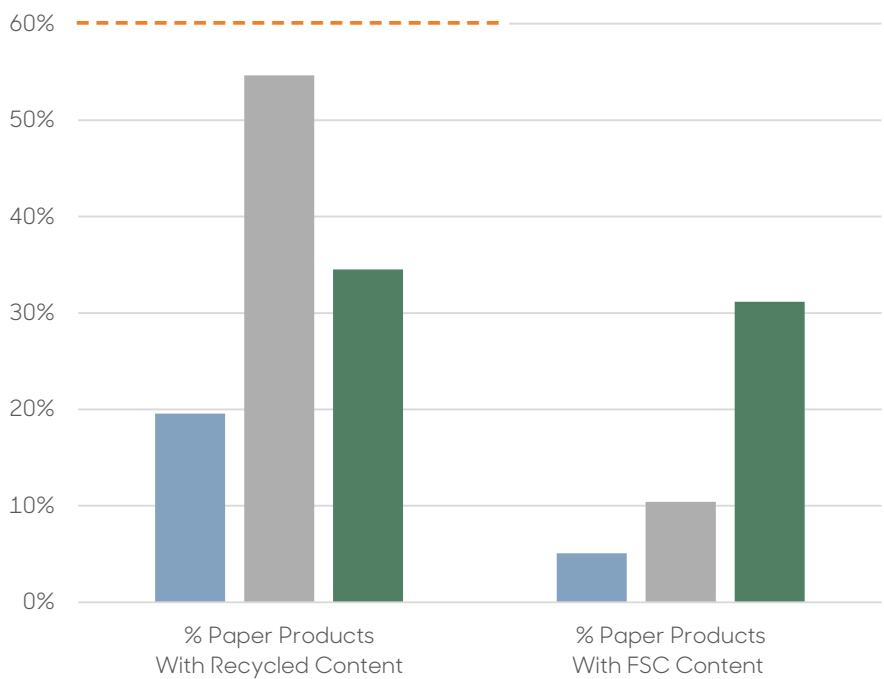
% packaging revenue, calendar year.



Material selection presents a significant opportunity for us to positively influence our environmental impact. We work with our suppliers to continue building the range of sustainable materials we can offer clients. Our design & development teams also continue to explore new ways to use existing materials like paper and board, that have proven sustainability credentials.

PAPER & BOARD PACKAGING – RESPONSIBLE MATERIALS

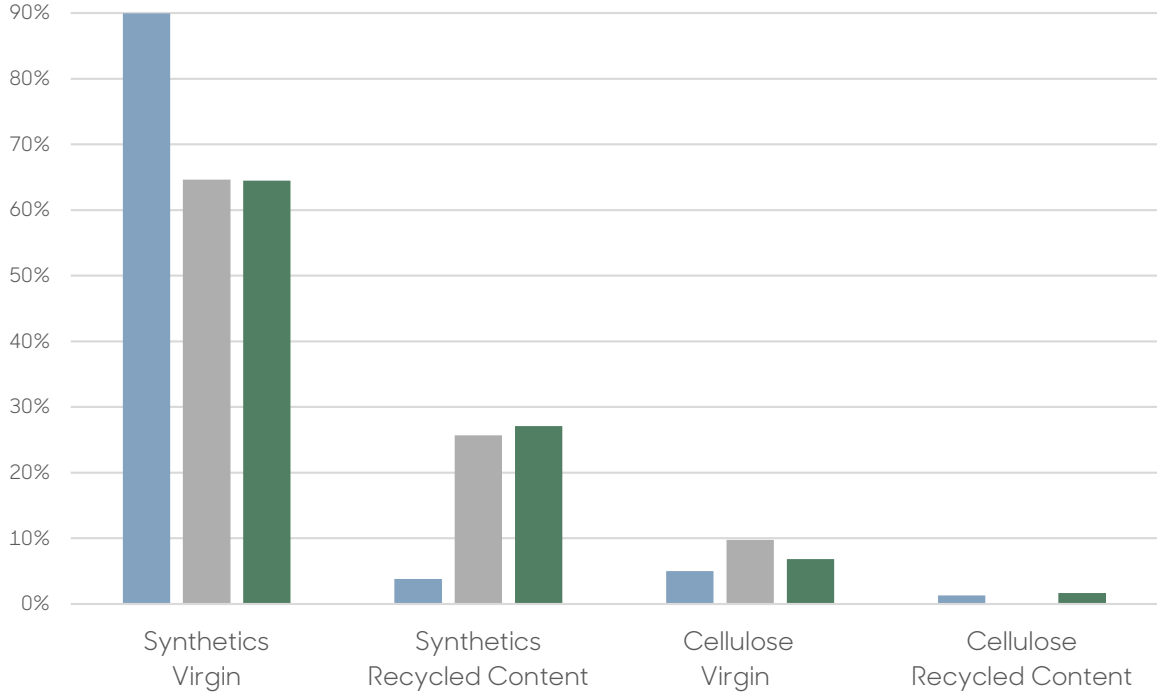
% paper & board packaging revenue, calendar year.



----- Target 60% Paper & Board Recycled Content by end 2025, consistent with APCO industry target. Trend indicates target won't be met. Reduced recycled content performance in 2024 is reflective of less clients ordering rigid greyboard box packaging due to its higher cost per box and price implications on shipping.

TEXTILE PRODUCTS – MATERIAL SUBSTRATES

% textile product revenue, calendar year.



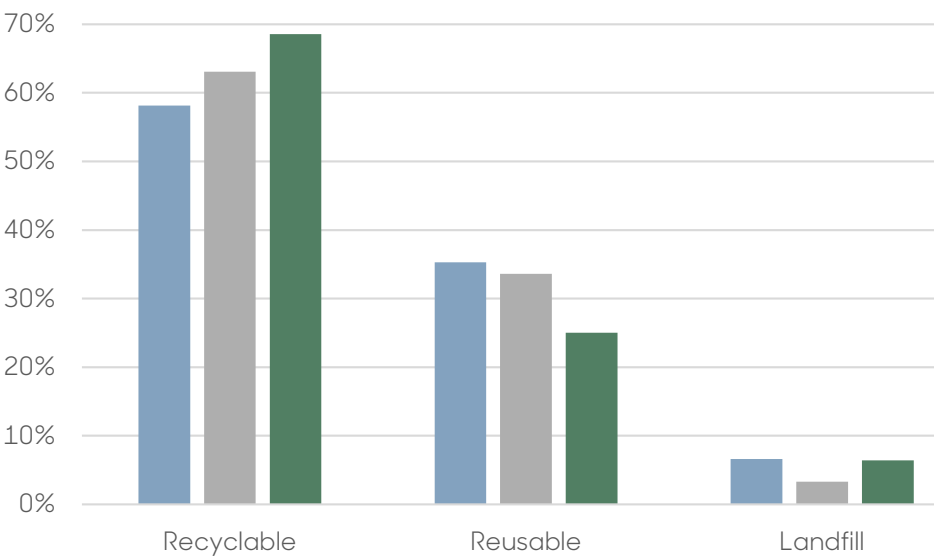
Recycled content and organic cellulose fibres, included cotton, remain cost prohibitive, impacting brand owner uptake.

OUR WORK: PACKAGING REUSABILITY & RECYCLABILITY

KEY: ■ CY 2022 ■ CY 2023 ■ CY 2024

PACKAGING END-LIFE - ALL MATERIALS

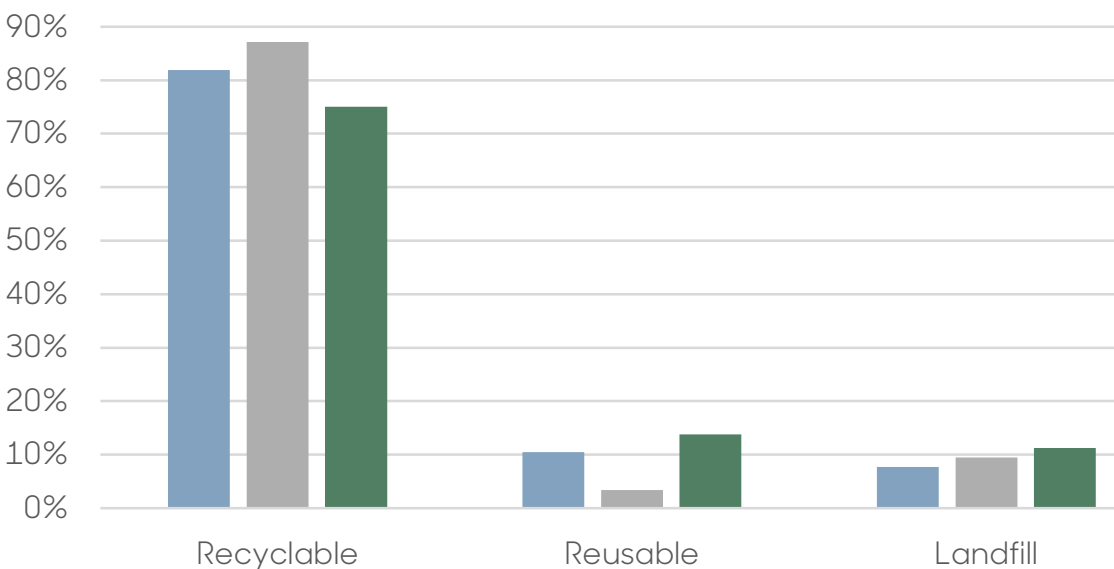
% packaging revenue, calendar year.



2024 is the first year we’ve reported detailed trend data for our packaging products. This reporting aligns with our commitment to lead the sustainability conversation in the luxury packaging industry, adopting packaging solutions that prioritise recyclability, reusability and are in line with APCO’s Sustainable Packaging Guidelines.

PACKAGING END-LIFE - PAPER & BOARD ONLY

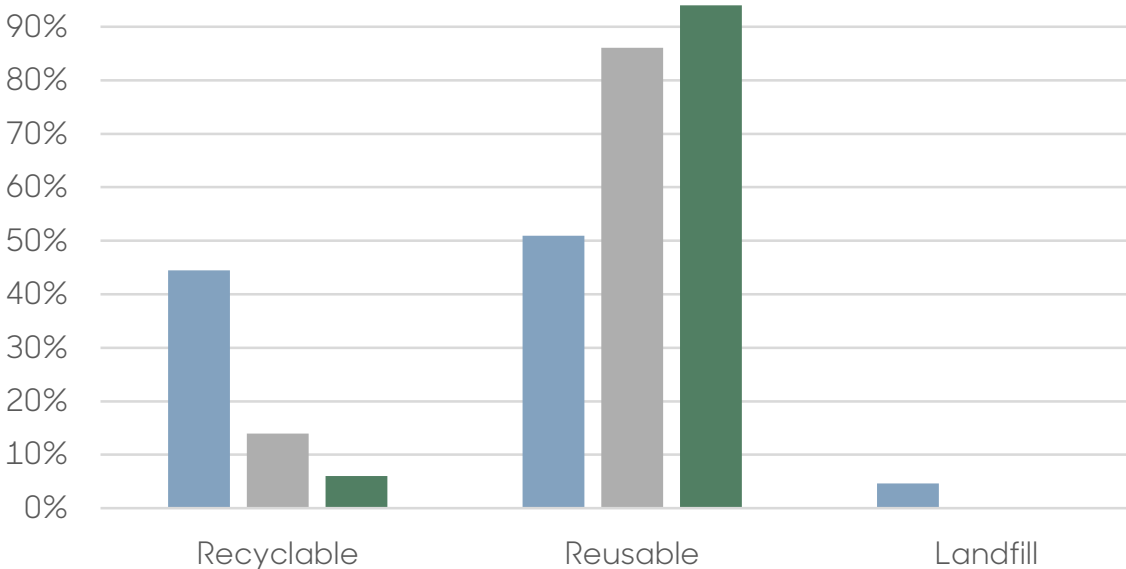
% paper & board revenue, calendar year.



2024 paper & board landfill increased to 11% from CY23 result of 9%. Change attributed to paper based product measuring under 50mm in width and depth, therefore classified it as ‘not recyclable’ through Australian recycling facilities. Alternative would be to inflate package size, hence using more material, which was not deemed a better alternative at time of development.

PACKAGING END-LIFE - PET (1), HDPE (2), PP (5)

Including inseparable mixed board & plastic packaging



The recyclable and reusable PET, HDPE, and PP 2022-2024 trend demonstrated above has been influenced by several factors:

- Our commitment to reduce the problematic plastics PVC and PS from our supply chain, as recommended by APCO packaging targets. Where necessary these have been substituted with PET, HDPE and PP.
- Client preference to move away from plastic packaging when there is no intended reuse. This has included recyclable plastic packaging. In these instances, packaging has been redesigned so as to not require plastic.
- We produce some packaging that is intended for the long term storage of the product it contains. This packaging has specific performance requirements, making PETG the most appropriate material solution.

OUR WORK: PRODUCT PARTNERSHIPS

FLEXI- HEX

MaCher has partnered with Flexi-Hex®, a certified B Corp, to reduce plastic from the protective packaging industry. Using a patented design made from paper, Flexi-Hex sustainable eCommerce packaging is both strong and adaptable. Available Australia wide from MaCher’s online SustainablePackagingStore.com.au



AUSTRALIA POST

Our Flexi-Hex sleeves and pinch-top mailer boxes are now available from Australia Post’s online Wine Packaging Store. The range, including an exclusive ‘Magnum’ sized box, aims to help wine and liquor businesses eliminate plastic from the packaging they send by Australia Post.



PARLEY FOR THE OCEANS™

In 2024 we began working with Parley for the Oceans™, a global environmental organisation that aims to raise awareness and protect the oceans by focusing on plastic pollution.

We’ve developed a custom product range for their corporate clients, using their premium material that has been created from upcycled plastic, intercepted in areas where mismanaged waste poses a threat to marine life and coastal communities.

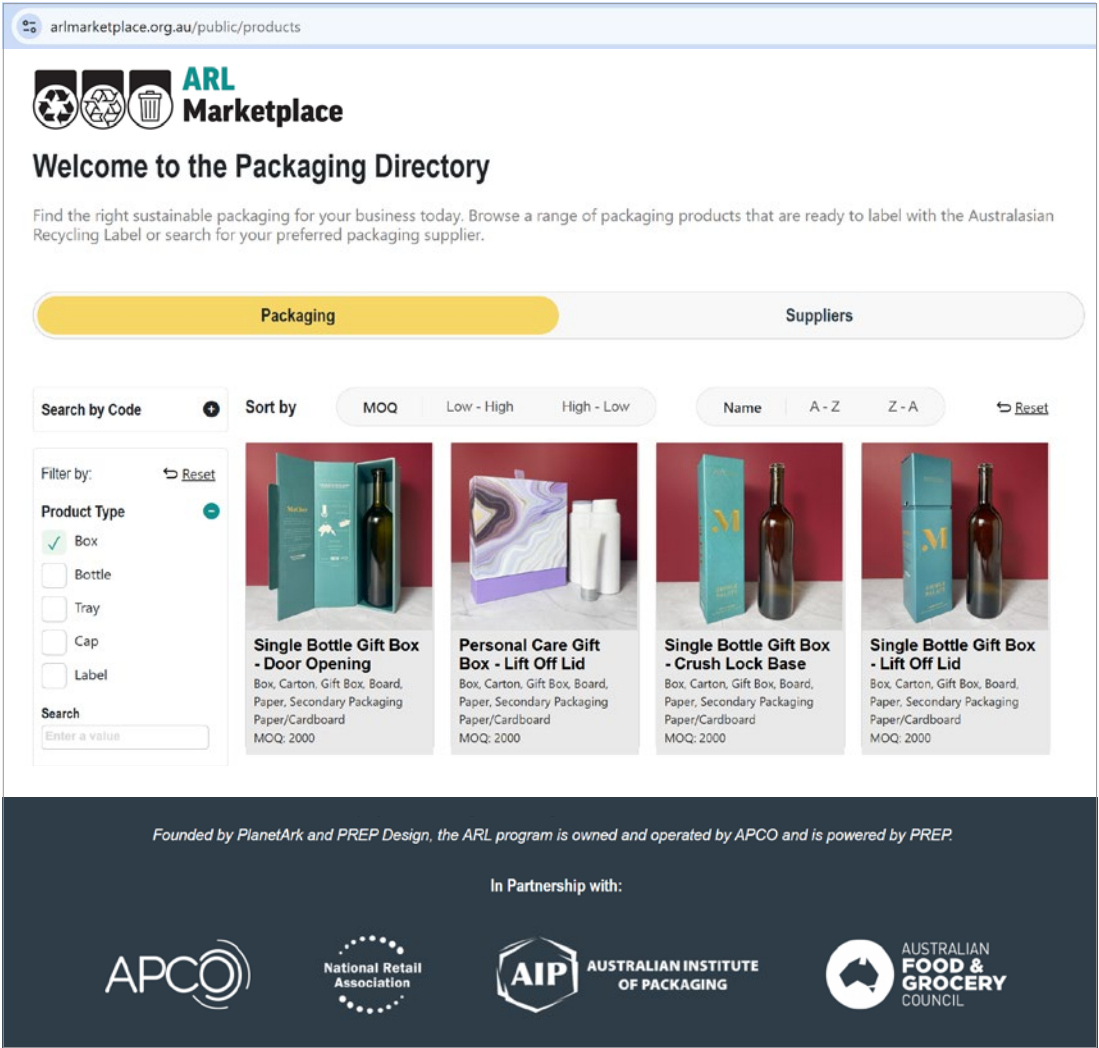
OUR WORK: INNOVATION

Luxury wine packaging is known for premium materials and craftsmanship, with mixed materials traditionally used to achieve the finishes that customers expect from luxury brands. This approach, however, creates a challenge for kerbside recycling.

In 2024 we released our 'Double Palate' wine box range, combining luxury finishes with mono materials (paper/board) for efficient, intuitive kerbside recycling.

Each box in the range has a 'Recyclability Assessment' completed in the Australian Packaging Covenant Organisation's (APCO) Packaging Recyclability Evaluation Portal (PREP). This means that, in addition to being kerbside recyclable, it can carry the Australian Recycling Label (ARL) on pack. The ARL is a joint initiative between APCO and Planet Ark, providing consumers with easy to understand information about how to recycle their packaging.

In October 2024, we launched the range on APCO's new 'ARL Marketplace', an online platform designed to



help SMEs source packaging with verified Recyclability Assessments. We are proud to have been involved from the preliminary stage of the platform's development, assisting with testing and feedback, prior to the directory going live.



OUR WORK: ON-PACK COMMUNICATION



In recent years we've seen a significant increase in client, market, and consumer enthusiasm for products created with sustainability in mind. With the increased demand, it's more important than ever that marketing claims and on-pack communication are trustworthy. When companies greenwash, consumers can be misled into believing a product is more sustainable than it is, eroding trust in future initiatives.

We work with clients to ensure that we produce products and packaging with communication that makes it easy for consumers to understand product considerations and material selection, without being misleading. Importantly, all claims made can be substantiated with appropriate certification specific to the product order.

PACKAGING LABELLING

We work with clients to recommend clear on-pack communication with recycling instructions specific to the Australian and New Zealand markets. For clients who are registered to use the program, we use APCO's Australasian Recycling Label (ARL) which simplifies recycling for consumers by providing clear on-pack instructions, ensuring the correct disposal of packaging components.

OUR WORLD: ONSITE INITIATIVES

Our office operations are based in the 'Sydney Cannister Works', a heritage listed building that opened in 1887 in Surry Hills, NSW.

As a tenant, we are limited with the changes we can make to the premises, but continue to work with our landlord on site upgrades that improve energy and water efficiency, whilst honouring the past.

COMPLETED SITE UPGRADES:

Improved heating & cooling efficiency:

- Replacement of roof
- Maintenance of window frames and seals
- Replacement of primary air conditioning unit
- Replacement of entrance door to aid maintenance of internal temperature.

Improved water efficiency:

- Installation of half flush toilet system for all bathrooms.

Improved energy efficiency:

- Replacement of 32 x 35watt tubes with iron core ballasts (16 lights – 2 x 35 watt tubes each) with Sphera Sistema 5470 LED System and Osram OT SLIM 160/220-240/24 Constant Voltage LED driver.

- Replacement of kitchen kettle with filtered boiling water tap in employee kitchen.
- Removal of 2 wi-fi routers

ONSITE RECYCLING & WASTE

Separate waste collections for:

- Kerbside recycling
- Landfill
- Printer cartridge recycling
- eWaste recycling
- Battery recycling
- Textile based product samples & bags donated to NSW & VIC local charities.
- All items sent from our head office packaged in reused packaging.

SUPPLY PURCHASING POLICY

We have a 'preferred suppliers list' for office supplies, all required to have published sustainability credentials.

SYSTEMS UPGRADE

- Implementation of Employment Hero (eliminating printed expense claims, receipts, leave forms & policies)
- Implementation of Xero (reducing printed bills & invoices)



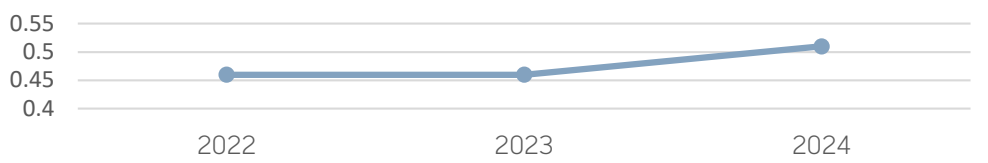
OUR WORLD: CARBON EMISSIONS

In 2023, we started measuring our emissions for the first time. We also used historical records to capture our emissions for 2022, which were impacted by post-covid movement restrictions.

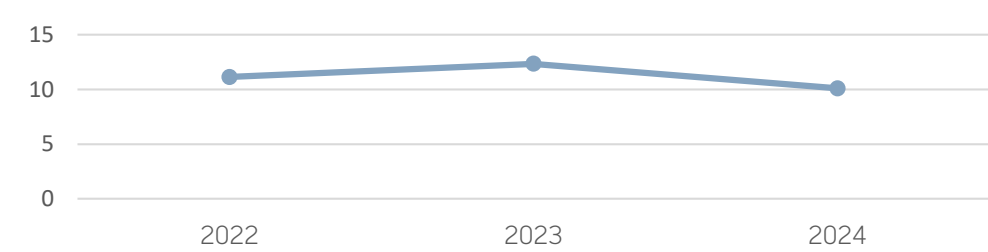
In 2024 we continued to build our understanding of the carbon impact of our business and identify areas where we can reduce our impact.

*In 2024 we upgraded our office air conditioning unit which contributed to a reduction in our Scope 2 emissions, but increased our Scope 1 due to the refrigerant used.

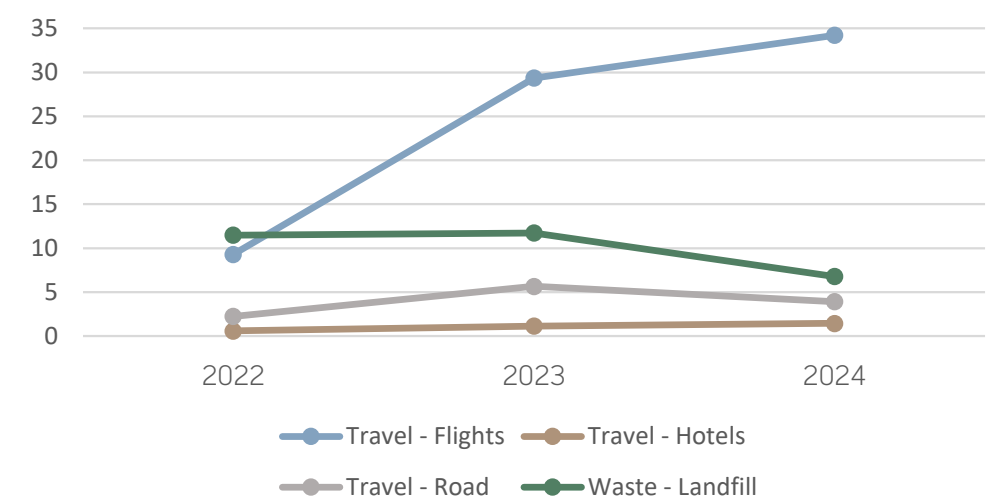
SCOPE 1 (t CO2-e, 2022-2024)



SCOPE 2 (t CO2-e, 2022-2024)



SCOPE 3 (t CO2-e, 2022-2024)



ENERGY, WATER, PRINTING	2021	2022	2023	2024
Yearly energy used (GJ)	53.57315	49.43794	53.63406	51.9201
Yearly water used (litres)	105,500	128,000	287,000*	102,250
Yearly Printing AV PCM	3007	3827	4219	2352

* 2021-2022 water usage invoiced on estimated meter reading. 2023 water usage invoiced on actual meter reading. 2023 usage impacted by building renovation (external structure, carpark, & outdoor areas)

BY SCOPE	2022	2023	2024
SCOPE 1	0.46	0.46	0.51*
SCOPE 2	11.13	12.34	10.10
SCOPE 3 - PARTIAL	23.61	47.88	46.37
TOTAL (tCO2e)	35.21	60.69	56.98

BY CATEGORY		2022	2023	2024
SCOPE 1	Refrigerants	0.46	0.46	0.51*
SCOPE 2	Electricity	11.13	12.34	10.10
SCOPE 3	Business Travel - Flights	9.29	29.36	34.23
	Business Travel - Hotels	0.58	1.14	1.44
	Business Travel - Road	2.25	5.65	3.92
	Waste - Landfill	11.49	11.74	6.78*
TOTAL (tCO2e)		35.21	60.69	56.98

OUR WORLD: OUR SUPPLY CHAIN

It’s critical for us to have a strong understanding of our supply chain in order to embed sustainable sourcing in our business. We work closely with suppliers to continue improving visibility of the processes and materials used for the products we create.

SUPPLIER AUDITS & CERTIFICATIONS

We use third party factory auditing to gain visibility of the environmental practices and reporting our factories are undertaking. In 2024, 72% of our supplier spend was with factories with third party audits / certifications that include an environmental component. These were:

Sedex SMETA 4 Pillar Audit

Includes review of environmental polices, reduction targets – e.g. Energy consumption, resource usage – including measurement, monitoring and recycling.

ISO14001 Audit

Includes review of scope of environmental management system, relevant objectives, policies and documentation.

EcoVadis Rating

Measures the quality of sustainability management systems through policies, actions and results.

B Corp Certification

A thorough review of environmental management systems, product and service impacts and climate action.

BEST-IN-CLASS PROCESSES

Our standard order process includes multiple rounds of sampling, quality reviews and testing, with clients engaged throughout. We have this robust system to minimise faults and wastage, ensuring that what we deliver meets client expectations.

MATERIAL CERTIFICATION

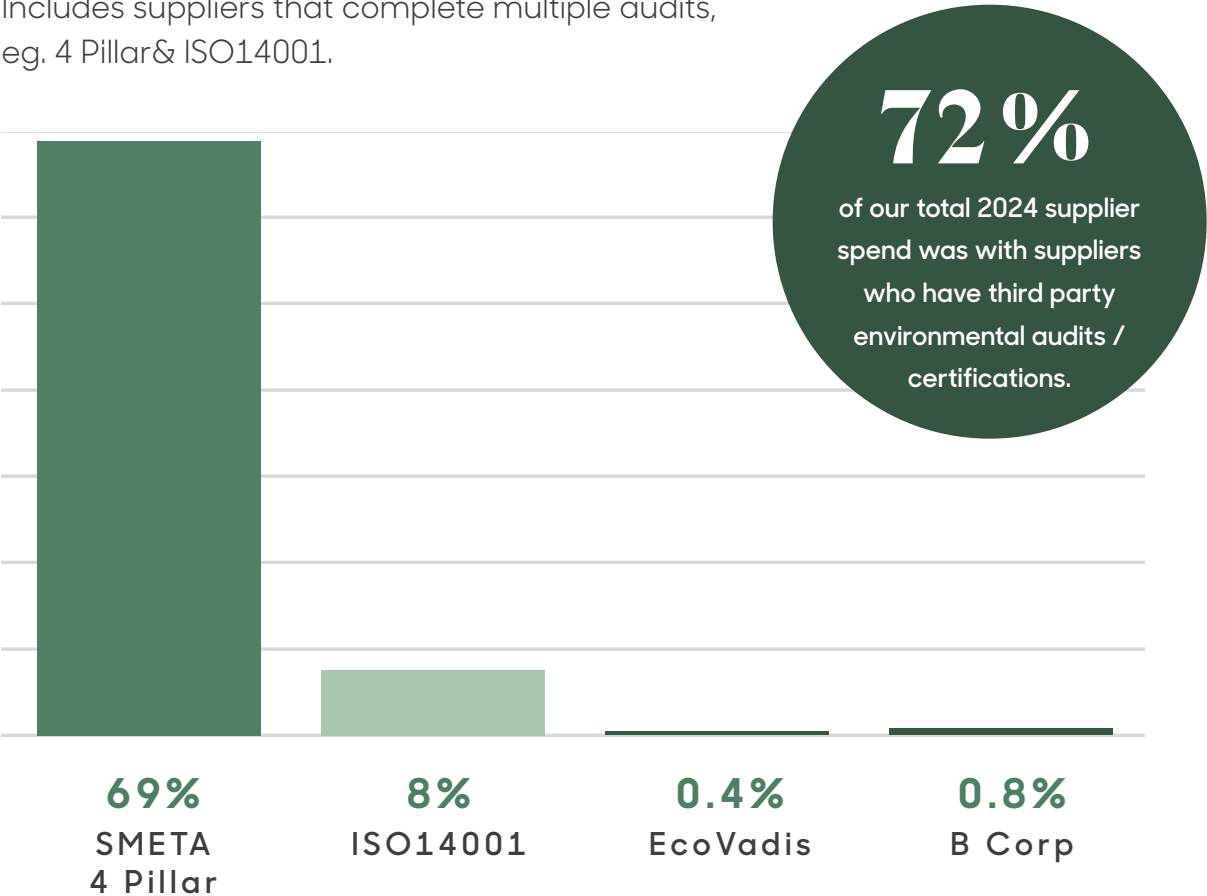
We require ongoing diligence from our supply chain for all materials that use FSC or recycled content. We collect material certification for each order, ensuring brand owners can communicate substantiated and engaging messaging to consumers about their design choices.

SUPPLY CHAIN INITIATIVES

We aim to minimise soft plastics in protective packaging, prioritising tissue paper or bulk packaging rather than individual poly bags. When single-use soft plastic packaging is necessary, we prioritise recycled LDPE. In 2024 we started trialling paper tape and paper strapping as an alternative to traditional plastic tape and strapping. This trial will continue in 2025.

SUPPLIER ENVIRONMENTAL AUDIT / CERTIFICATION TYPE

% compared to total supplier spend.
Includes suppliers that complete multiple audits, eg. 4 Pillar& ISO14001.



OUR WORLD: TEAM ACTION & ENGAGEMENT

All of the work and progress presented in this report wouldn't be possible without the passion and dedication of our team, who have embraced each new step in our sustainability journey with enthusiasm and commitment to improve the way we work.

In addition to the work discussed on the previous pages, our team have engaged in the following:

EMPLOYEE KPIS

All employees, including our leadership team, have sustainability KPIs which are reviewed annually as part of our employee review process.

TRAINING

Our team have been highly active in sustainability training, with a year-on-year increase in hours and investment demonstrated since 2021. Refer to p. 28, 'Training, Learning & Development' for detail.

MONTHLY WIPS

Regular update on environmental and social activity and initiatives for all employees in our monthly company WIPs.

PLASTIC FREE JULY

Some employees participated in the 'Choose to Refuse' Challenge, pledging to be part of the solution to plastic pollution by avoiding single use plastics for July.

CLEAN UP AUSTRALIA'S 'GREAT SPRING CLEAN UP'

14 staff from our Sydney team participated in a beach clean up at Rose Bay Beach, 7kms from our Sydney office. Staff focussed on removing micro plastics and litter from the beach sand.

IMPACT REPORT WORKSHOP

Previously called our 'CSR & Sustainability Report Workshop', this team event is held annually to present and discuss MaCher's environmental, social and governance performance for the completed reporting period with all employees.



SOCIAL



INTRODUCTION

This section provides an update on our Social Pillar, defined by the company values that drive what we do, and our work on employee engagement, diversity, equity, and inclusion, training, and social responsibility.

People are the heart of our business, enabling us to nurture our unique culture. We value long-term relationships and are especially proud of our employee tenure and retention, a value which is also mirrored in our long-term client, supplier and charitable partnerships.

*We are committed to
supporting and empowering
our biggest asset: our people.*

*We aim to be a business that is
diverse and inclusive, striving
to grow our understanding
while remaining accountable
for our performance.*



CRAFTE CULTURE

Our CRAFT values are at the core of our culture, as we strive to be a great workplace and have a positive impact.

Our values hold us accountable to our business, our partners, our environment, and to each other as we continue to evolve and grow. These values guide us as we navigate new terrain and face new challenges.



C R A F T E

COLLABORATION

Work together towards shared goals

RESPECT

Always act with integrity

AUTHENTICITY

Bring your best self to work

FAMILY PRIDE

Shared values and open communication

TRUST

Be clear, be honest, be accountable

ENVIRONMENT

Commitment to our sustainability goals

DIVERSITY, EQUITY, & INCLUSION:

In line with our C.R.A.F.T.E values, it is important that individuals can be themselves and feel safe, respected, and valued in our environment. This includes MaCher employees, suppliers, clients, and anyone our team may come across throughout their employment with MaCher.

We are conscious that the DEI space is constantly evolving and that there is much for us to still learn and do. As a business we are committed to continual improvement.

OUR PROGRESS

Gender Bias Awareness Workshop

To celebrate International Women’s Day, MaCher hosted ‘We Need To Talk’, a gender bias training workshop for all MaCher employees, hosted by Women & Girls Emergency Centre (WAGEC).

Management Training

Three members of our Leadership Team attended ‘Taking Neurodiversity in the Workplace Forward’ hosted by B Lab Australia & New Zealand.

Celebrating Cultural Diversity

We value and celebrate the diverse backgrounds of our team, clients, suppliers and community, and the impact they have on our business and beyond. Our team celebrated Chinese New Year with a hot pot team dinner.

Diversity statement in job advertisements

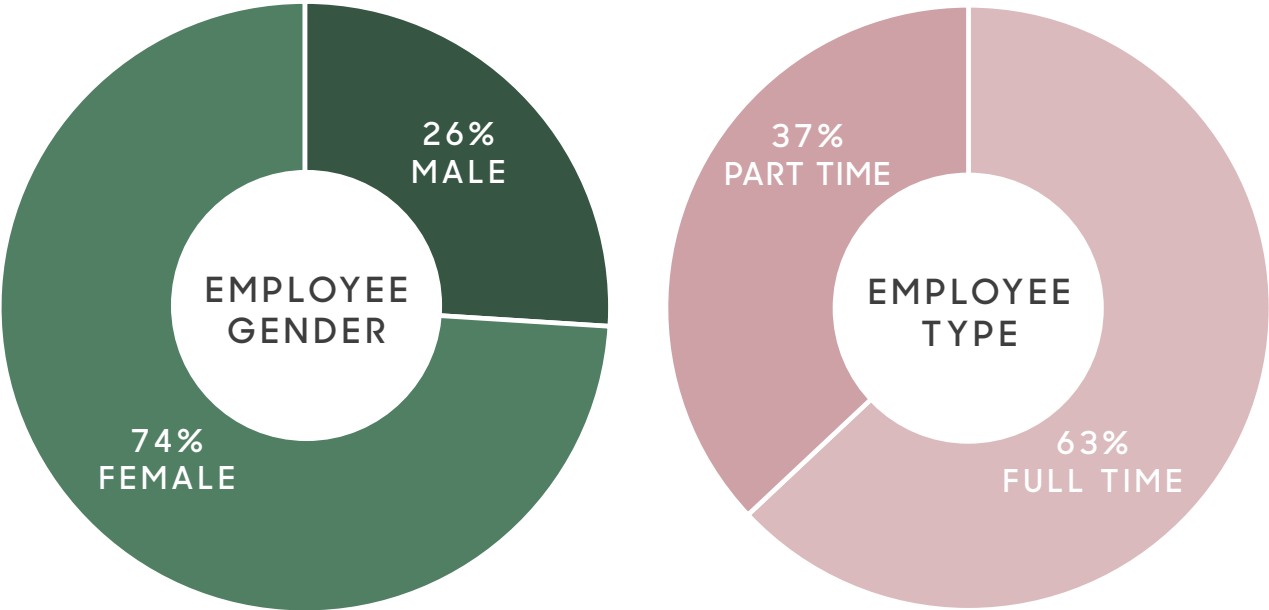
We include a diversity statement in all job advertisements to reinforce and encourage a diverse range of applications for all open job opportunities.

Use of Gender Pronouns

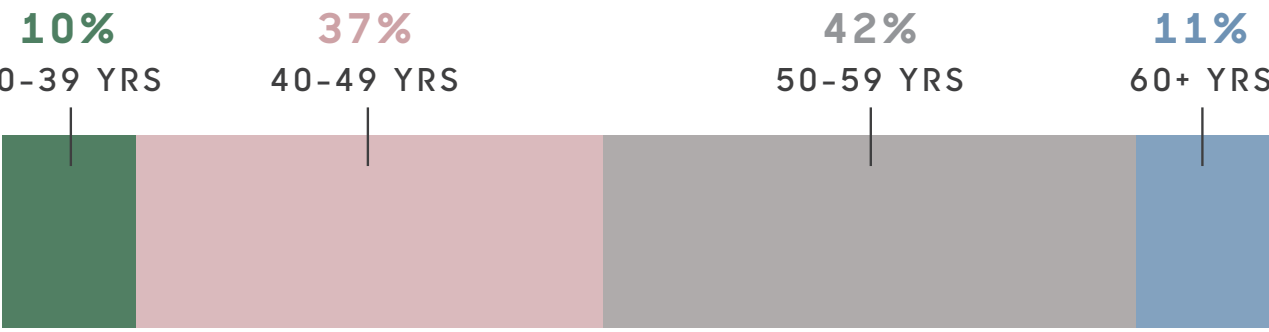
At a company level, MaCher endeavors to ensure gendered pronouns are never used in company documentation, including job descriptions, company policies, recruitment advertisements, employment contracts, internal forms, company websites, and social media.

At an individual level, employees are encouraged to add their preferred pronouns to email signatures, video call display names, and the like.

2024 DEI METRICS



EMPLOYEE AGE



DIVERSITY, EQUITY, & INCLUSION CONTINUED:

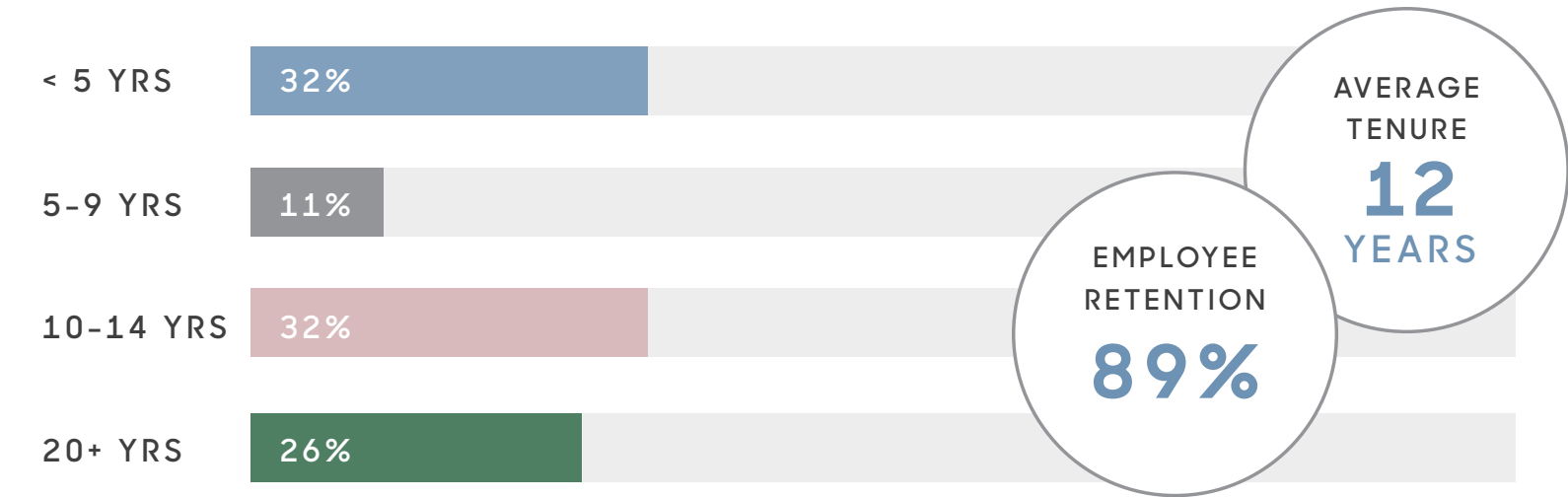
Flexibility

We aim to provide a work environment that is flexible and family friendly. In recognition of our diverse workforce with different priorities, we aim to be as accommodating as each role allows when our team request time for family or to pursue other passions.

Female Leadership

We are proud to have significant representation of women in our leadership team (67%) and of our ability to actively role model flexible work across all levels of our business.

EMPLOYEE LENGTH OF TENURE



WORKPLACE DISCRIMINATION, HARASSMENT & BULLYING, WHISTLEBLOWER, & EMPLOYEE CODE OF CONDUCT POLICIES

We foster a positive workplace culture that is free from bullying, discrimination, sexual harassment, and victimisation.

To keep our workplace safe and respectful, **we have an official Policies and Procedures Manual and Code of Conduct.** This includes polices on Workplace Discrimination, Harassment and Bullying.

Our policies are not limited to the workplace or work hours, but extend to all places and functions that are work related or which impact working relationships.

To support these commitments, MaCher encourages employees to raise concerns about any known or suspected improper conduct.

This process is outlined in our Whistleblower Protection Policy, which is intended to encourage staff to confidentially raise serious concerns without fear of reprisal, dismissal, or discriminatory treatment.

OUR PEOPLE

Our team are the heart of our business, and we're proud of the passionate, creative, and talented individuals that make MaCher everything we are.

Culture Building:

We support in-person connections across our team, including business updates, social events, and volunteering days. In 2024, our team members came together for:

- International Women's Day training workshop
- Company Strategy Day
- Chinese New Year team dinner
- Walk for WAGEC team fundraising walk
- Cancer Council fundraising morning tea
- Australian Fashion Week panel talk events
- Christmas in July team event
- Olympics Games team event
- Clean Up Australia's 'Great Spring Cleanup' volunteering day
- Holiday season team lunch
- Employee birthday celebrations

MaCher Benefits:

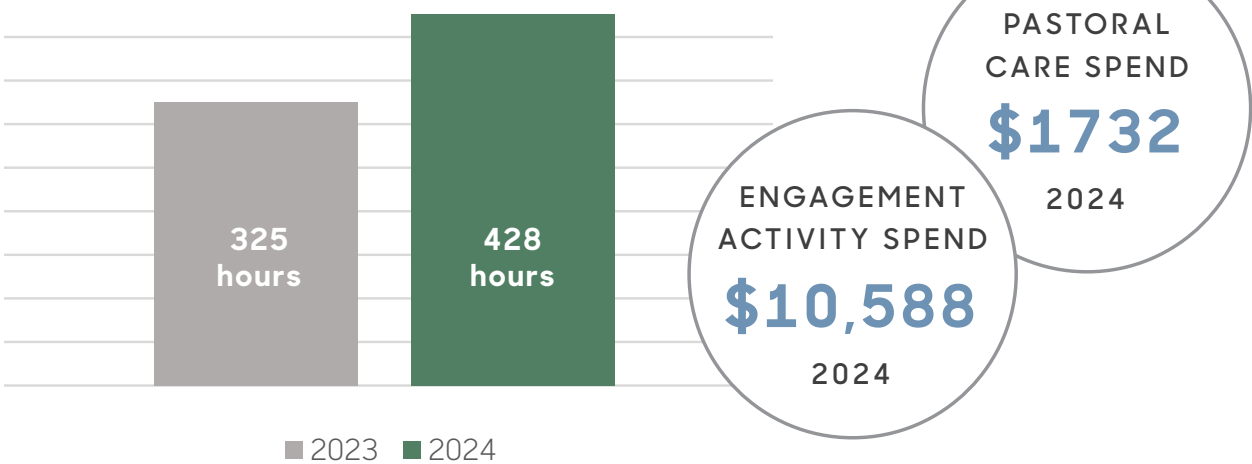
Since 2020, we have re-evaluated our employee benefits, focusing on how we can better support our employees:

We currently offer the following benefits in addition to entitlements and leave legislated by the Australian Government, provided by the Fair Work Act, and outlined in the National Employment Standards (NES):

- **Volunteer Leave** - up to 2 days per financial year of paid volunteer leave.
- **Hybrid work** - we continue to support flexible, hybrid work. 95% of our employees work remotely.
- **Employment Hero App Subscription** - Includes cashback offers from local retailers and wellness resources.
- **Company Reward & Recognition Program** - Applicable to all non-management and non-sales staff, regardless of position and tenure.
- **Pastoral Care** - Infrequent / irregular gifts, e.g. celebrating tenure milestones, leaving gifts, flowers, gift cards, etc.

STAFF ENGAGEMENT / CULTURE BUILDING

Team lunches, birthday celebrations & team events



OUR PEOPLE IN NUMBERS

HEADCOUNT	2022	2023	2024
Number of Employees	24 ¹	20	19
EMPLOYEE RETENTION			
Average Tenure	12.05 years	11.85 years	12.37 years
New Employees	6	4	2
Employees Exit	4	2	2
LEAVE			
% employees who took Paid Annual Leave	100% Av 17 days pp	100% Av 15days pp	100% Av 14 days pp
% employees who took Paid Personal Leave	100% Av 6 days pp	75% Av 5 days pp	89% Av 5 days pp
Paid Long Service Leave days taken	27 days 3 employees	29 days 3 employees	85 days 6 employees
Staff eligible for Paid Long Service Leave	9	10	11
Days lost due to absenteeism	0 days	0 days	0
COMPENSATION			
Staff paid above min. wage, living wage & family living wage	100%	100%	100%
Work Safe / Work Cover claims	0	0	0

1. 2022 included subsidiary division, no longer integrated from 2023 onwards.

2. Included some employee engagement / culture hours, which are reported separately from 2023 onwards.

GIVING BACK

We appreciate the vital role charities play in fostering the well-being of our local and global communities. We're focused on partnering with grass-roots, not-for-profits, whose work is well-aligned with our company values.

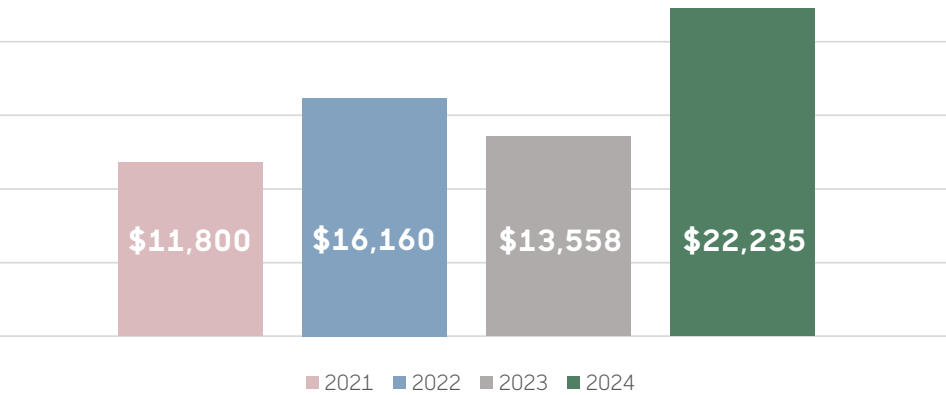
FINANCIAL & IN-KIND DONATIONS

Most of our charitable partnerships have been on-going for several years, giving our business and team the opportunity to genuinely engage and make a difference. In 2024 we made donations to the following:

- Women & Girls Emergency Centre (WAGEC)
- Les Twentyman Foundation
- Cancer Council Australia
- Soldier On (Veterans Charity)
- Student support program, Hunan Province, China

DONATIONS 2021 - 2024

Financial & In-Kind



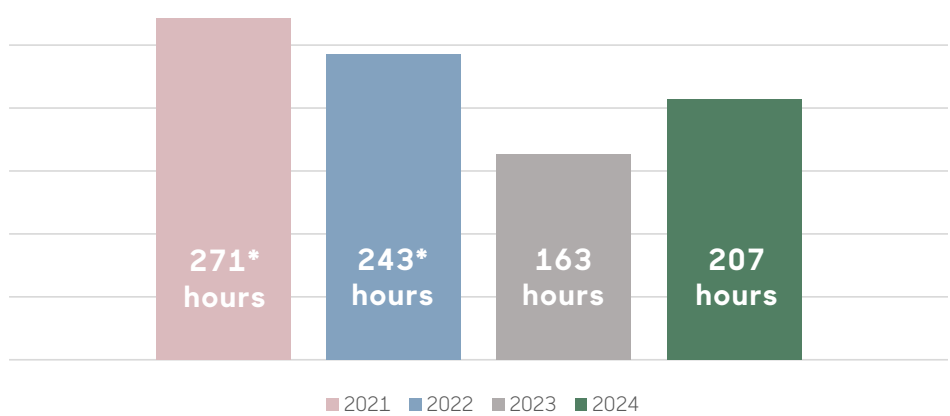
TEAM VOLUNTEERING & SOCIAL RESPONSIBILITY

As a team, we completed the following activity in 2024:

- **Walk for WAGEC** – 5km team fundraising walk for Women & Girls Emergency Centre. Proceeds to help women and children walking away from violence build financial independence and nurturing well-being.
- **Clean Up Australia's 'Great Spring Clean Up'** – team beach clean up, collecting and removing rubbish from a community beach local to our Sydney office.
- **Australia's Biggest Morning Tea** – team event to raise funds for Cancer Council Australia, assisting those impacted by cancer.
- **Women & Girls Emergency Centre**, graphic design support.

SOCIAL RESPONSIBILITY HOURS 2021 - 2024

Team volunteering & fundraising



*2021-2022 hrs include 'Staff Engagement & Culture Hours'. From 2023 onwards, this is reported separately. See page 26 'Our People'.

INDIVIDUAL VOLUNTEERING

In addition to team activity, we aim to empower our team to give back to their community on an individual level. We offer employees up to 2 days per financial year of paid volunteer leave, so they can volunteer for a charity that resonates with them.

In 2024, employee volunteering leave was used for:

- Mangrove Maintenance with Conservation Volunteers Australia
- Community event preparation for local Public School Association.

OUR CSR TEAM

Our CSR team have 3 formally scheduled CSR meetings annually. These are used to plan donations, fundraising, and volunteer activity, and discuss feedback on past initiatives and how we can continue to strengthen our performance in this space.

TRAINING, LEARNING, & DEVELOPMENT

We recognise the value of internally and externally facilitated professional development opportunities, and prioritise our investment in both paid employee training hours and training costs.

OUR PROCESS

Training and development are discussed with employees during their annual performance appraisal. Employees articulate training goals they’d like to achieve, with training opportunities specific to the development goals of each individual scheduled throughout the year.

In 2024 we provided the following training opportunities to our team members:

Social & environmental performance training

- Macher’s Targets & Performance
- Australian Packaging Regulation Reform
- GHG Emission Accounting
- B Corp Introduction
- Packaging State of Industry
- Energy Conservation

Ongoing, skills-based training

- Negotiation Skills
- Effective Communication
- First Aid
- Adobe Creative Cloud
- Creative AI
- Employment Law
- Workplace Health & Safety
- Neurodiversity in the Workplace
- GS1 Reporting Capability
- Overseas Onsite Factory Visits

Onboarding

- Training program for new employees, specific to their roles.

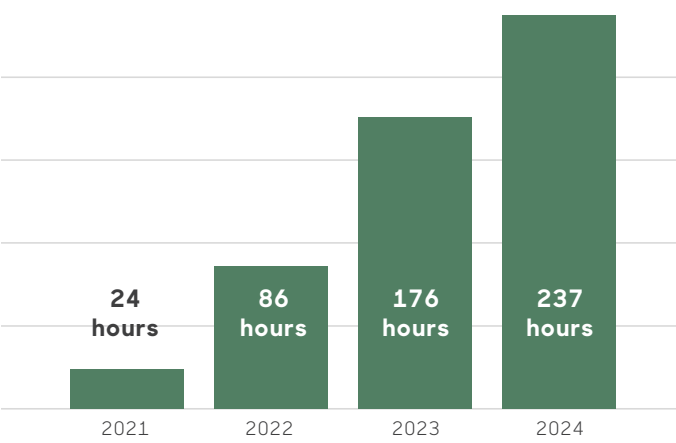
OTHER

Annual Company Strategy Day:

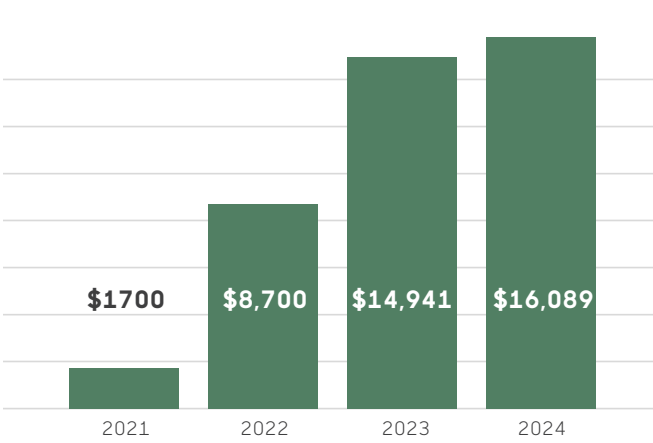
Each year we hold a company offsite for all employees, where we share our business vision for the years to come and provide transparency on business goals and targets, including updates on our CSR & Sustainability performance.

Employment Hero App Subscription: Offers training resources for all employees on personal finances, meditation and wellbeing.

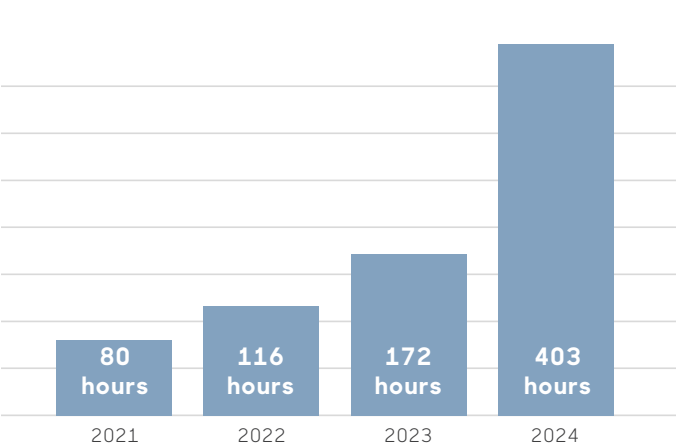
SUSTAINABILITY TRAINING - HOURS



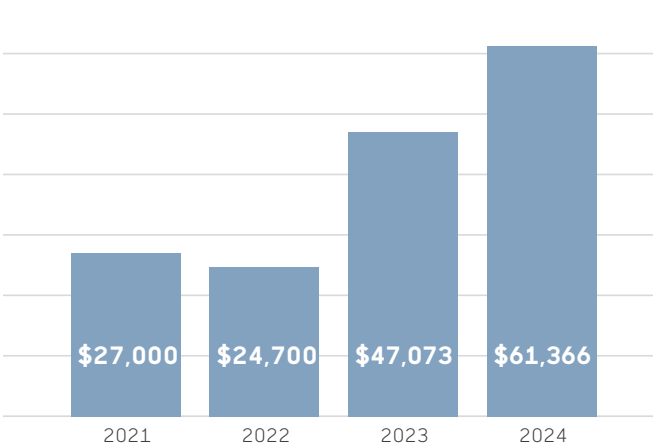
SUSTAINABILITY TRAINING - \$ INVESTMENT*



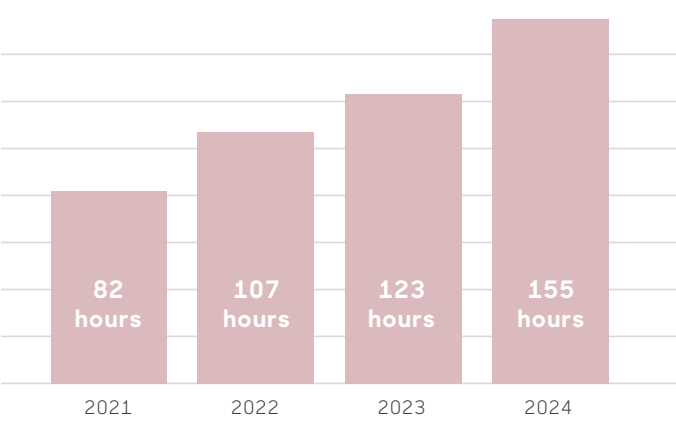
SKILLS BASED TRAINING - HOURS



SKILLS BASED TRAINING - \$ INVESTMENT*



ONBOARDING TRAINING - HOURS



*Includes employee salary for time

OUR SUPPLY CHAIN PARTNERS

We’re proud of the long term relationships we have with our supply chain partners, which include a core group of factories that work directly with MaCher. We work with these suppliers to build best-in-class standards and procedures to ensure our company values are upheld through our supply chain.

SUPPLIER CODE OF CONDUCT

Since 2014, we’ve required all supplier to sign our Social Accountability Standards (SAS) and Standard Operating Procedures (SOP). These formal agreements are aligned with the UN Sustainable Development Goals (SDGs) and outline the minimum standards for ethics, human rights, environmental responsibility and community responsibility that we require from our suppliers. For more detail on these documents, see p.36, ‘Supplier Standards’.

SUPPLIER AUDITS & CERTIFICATIONS

Third party auditing gives us consistent visibility of the social policies, practices and reporting of our suppliers. In 2024, 84% of our supplier spend was with factories with third party audits / certifications that include a social component. These were:

Sedex SMETA 2 & 4 Pillar Audits

Includes review of labour standards, safe working conditions, fair treatment, entitlement to work, subcontracting & homeworking.

BSCI

Includes review of worker rights, fair pay, health & safety.

EcoVadis Rating

Measures the quality of ethical business management systems through policies, actions and results.

B Corp Certification

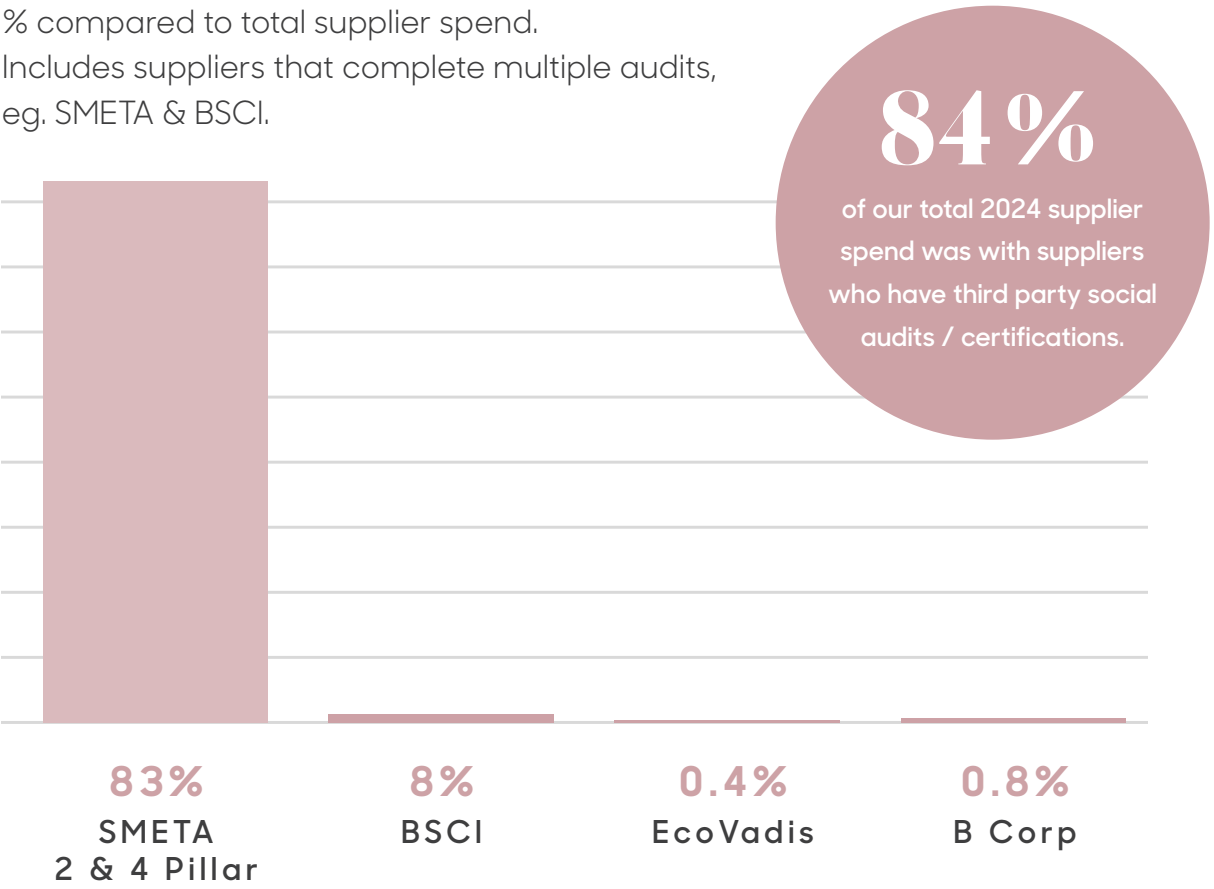
A thorough review of socially responsible business practices, commitments, and performance.

STRONG RELATIONSHIPS

In 2024 we spent 80 days visiting the manufacturing facilities of offshore suppliers, strengthening communication, team skills and providing further visibility on compliance with our SAS and SOP.

SUPPLIER SOCIAL AUDITS / CERTIFICATIONS

% compared to total supplier spend.
Includes suppliers that complete multiple audits, eg. SMETA & BSCI.



GOVERNANCE

INTRODUCTION

In line with our C.R.A.F.T.E values, MaCher Australia is committed to operating with integrity and accountability, building trust with all stakeholders through our ethical and transparent business practices.

To support this commitment and ensure compliance, we have stringent policies, standards, and procedures in place for our management team, employees, and supply chain.

Our adherence to these standards, performance measurement, and reporting has been assessed by EcoVadis since 2021, with us achieving a year-on-year improvement in our score.

Moving forward, we are also working towards B Corp Certification, further strengthening our commitment to best-in-class business practices in the areas of ethics, accountability, and transparency.

Business Certifications:



Inspections & Testing:



Material Certifications:



ECOVADIS PERFORMANCE

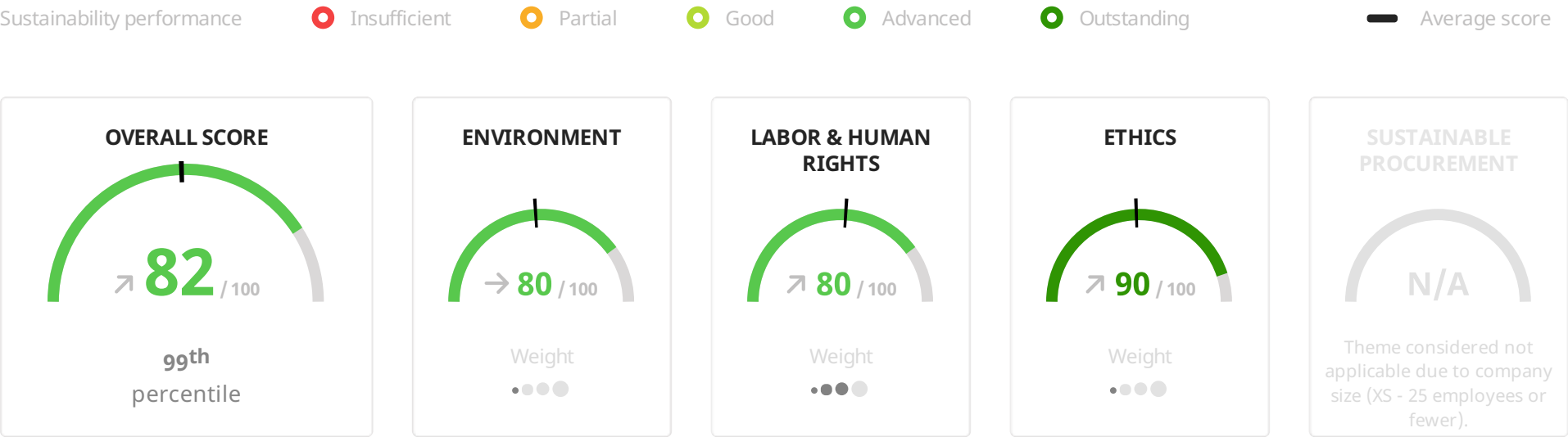
EcoVadis is one of the most comprehensive sustainability rating tools in the world, evaluating companies according to their social, ethical, and environmental impacts.

We began using the EcoVadis platform to assess our business in 2021, achieving an initial assessment rating of 'Bronze'.

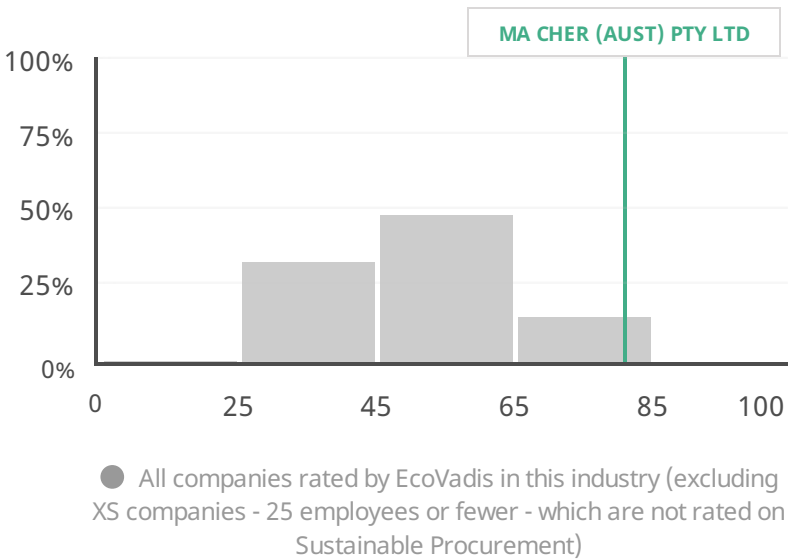
With each subsequent re-assessment, we have improved our performance. In December 2024 we obtained the highest EcoVadis rating available - **EcoVadis Platinum - placing us in the top 1% of sustainable companies** assessed by EcoVadis worldwide.



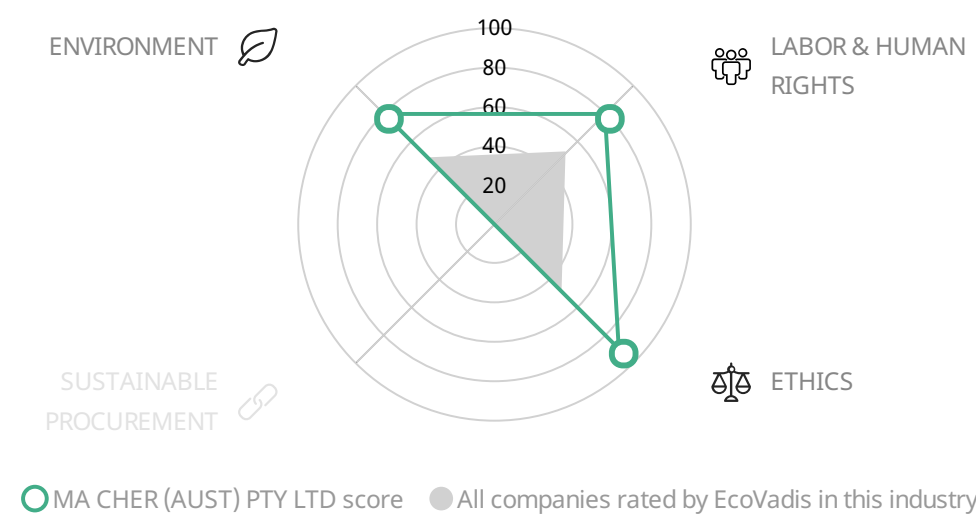
Score breakdown



Overall score distribution



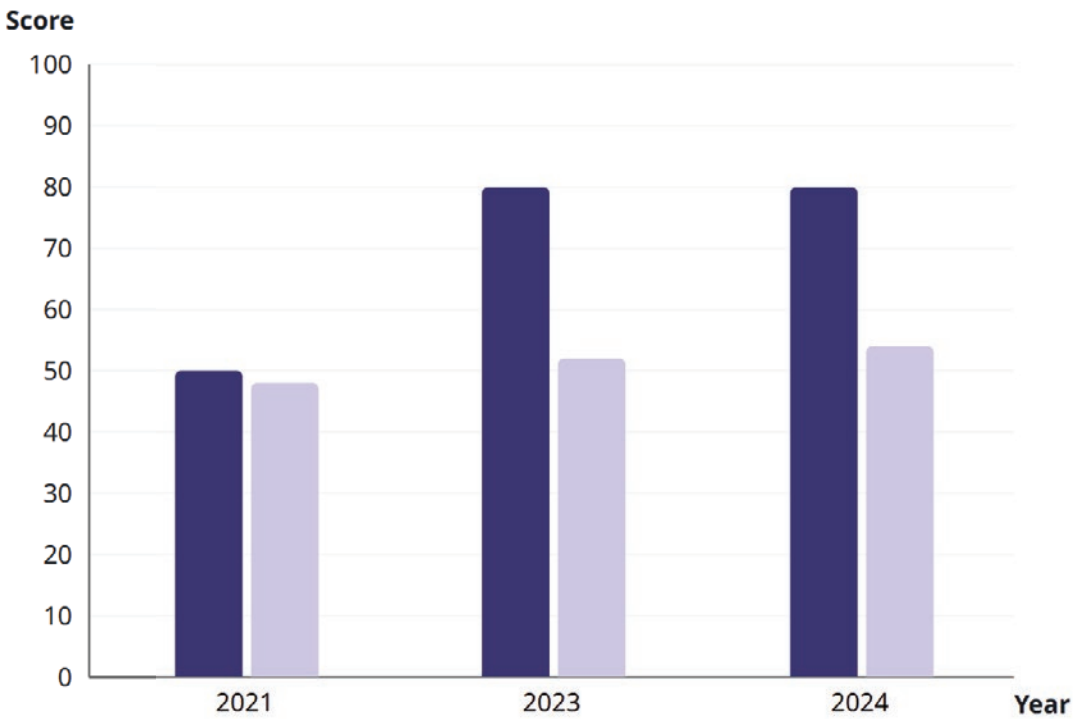
Theme score comparison



ECOVADIS PERFORMANCE CONT.

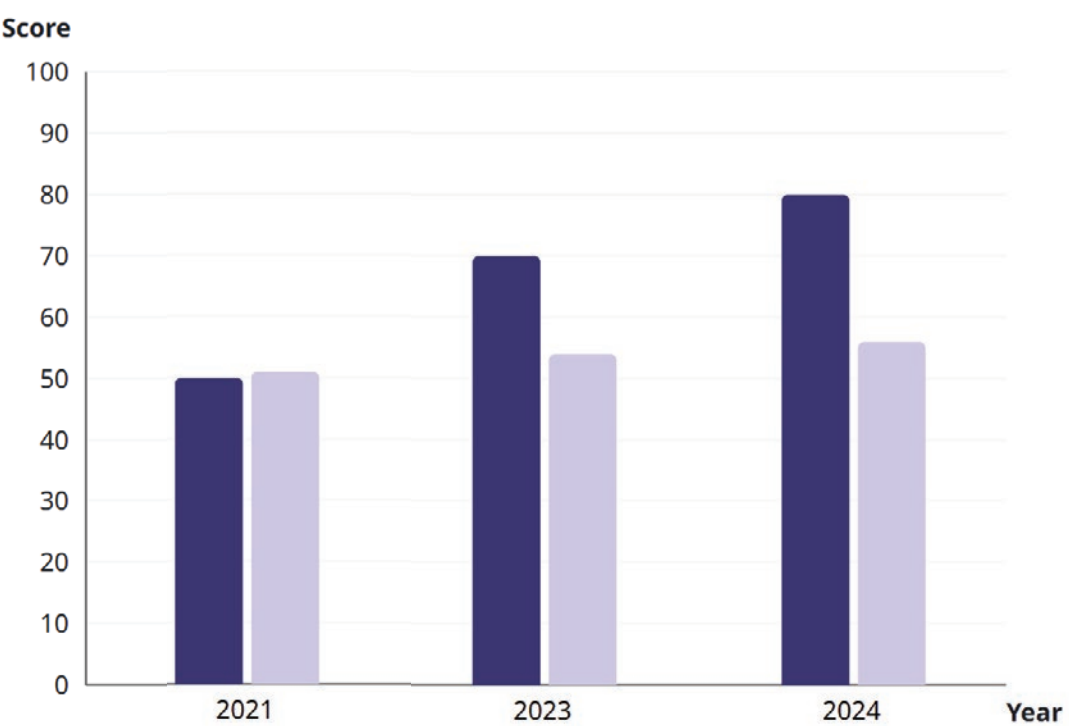
MACHER ENVIRONMENT SCORE

2021 – 2024, compared to other companies in our industry.



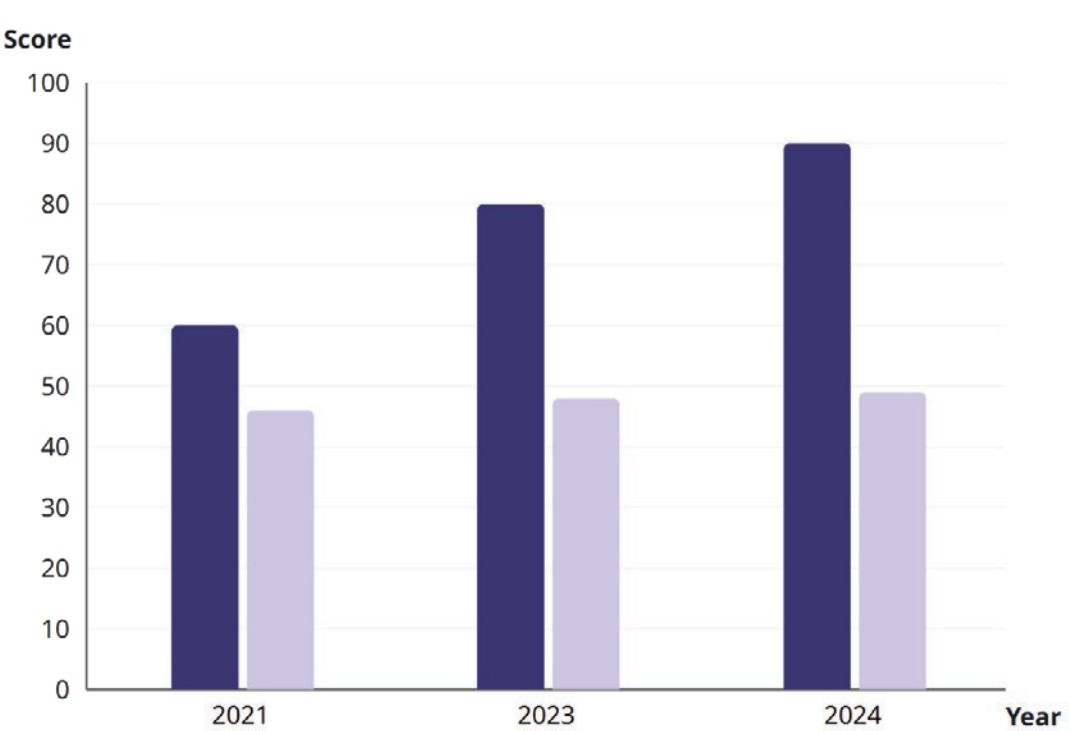
MACHER LABOUR & HUMAN RIGHTS SCORE

2021 – 2024, compared to other companies in our industry.



MACHER ETHICS SCORE

2021 – 2024, compared to other companies in our industry.



MaCher Australia

Average of other companies in our industry

All data provided by EcoVadis.
2022 not graphed as reassessment not submitted by MaCher in 2022.

OUR B CORP JOURNEY

At MaCher, we believe that business should be ethical, sustainable, and profitable. In 2024 we submitted our B Corp Assessment, formally starting the process of becoming a certified B Corporation.

ABOUT B CORPORATION

The B Corp movement is building a global network of companies that use business as a force for good, whilst meeting the most stringent standards of social and environmental performance, public transparency, and legal accountability.

With purpose at its centre, this model works to generate sustainable profitability that doesn't cost people or the planet, and is instead designed to create a more prosperous, inclusive, and equitable economy for all, using the power of market forces.

OUR PATH

We have been working towards B Assessment submission since 2018, with our journey impacted by the challenges of Covid lockdowns.

With our assessment submitted in the first half of 2023, we have since been working with B Corp's analysts as they stringently review our business processes, commitments, performance, and reporting. We expect certification to be confirmed in 2025.

B CORP & GOVERNANCE

Governance is a core impact area for B Corp, and a cornerstone of the movement. It encompasses ethics, risk management, compliance, administration processes, and everything in between.

A key requirement in this area is to formally embed consideration of all stakeholders into a business's legal documents, driving greater accountability and shifting towards a stakeholder-centric governance model.

"We are proud to have a Mission Locked Constitution & Impact Business Model, legally ensuring MaCher's social and environmental performance continues to remain part of all decision-making over time."

BUILDING A SUSTAINABLE SUPPLY CHAIN

We pride ourselves on our qualified, sustainable, and compliant manufacturing supply base which consists of a core group of factories that work directly with MaCher. Partnering with this core supplier network allows us to maintain successful relationships, manage quality, understand factory capacity/flexibility, drive innovation and ensure successful service levels.

RELATIONSHIP BUILDING

Maintaining strong supplier relationships enables us to build supply chain influence, accountability and education among our manufacturing partners, improving social, environmental, and governance performance. These relationships are critical to successfully embedding responsible sourcing practices in our business.

ETHICAL INTEGRITY

Our emphasis on ethics and integrity reinforces our commitment to responsible business practices, guiding decisions and actions.

CONTINUOUS MONITORING

We work closely with our suppliers to collect information that increases the visibility of processes and materials in our supply chain, so that our products

are made responsibly, with regard for workers, and the environment.

COMPREHENSIVE COVERAGE

Auditing processes cover a wide range of standards, policies, and procedures, ensuring compliance.

COMPLIANCE MANDATE

Suppliers must adhere to all relevant laws, rules, and regulations in their respective countries, ensuring legal compliance. All suppliers are mandated to adhere to SA8000 standards for Social Accountability, ensuring ethical labour practices.

QUALITY MANAGEMENT

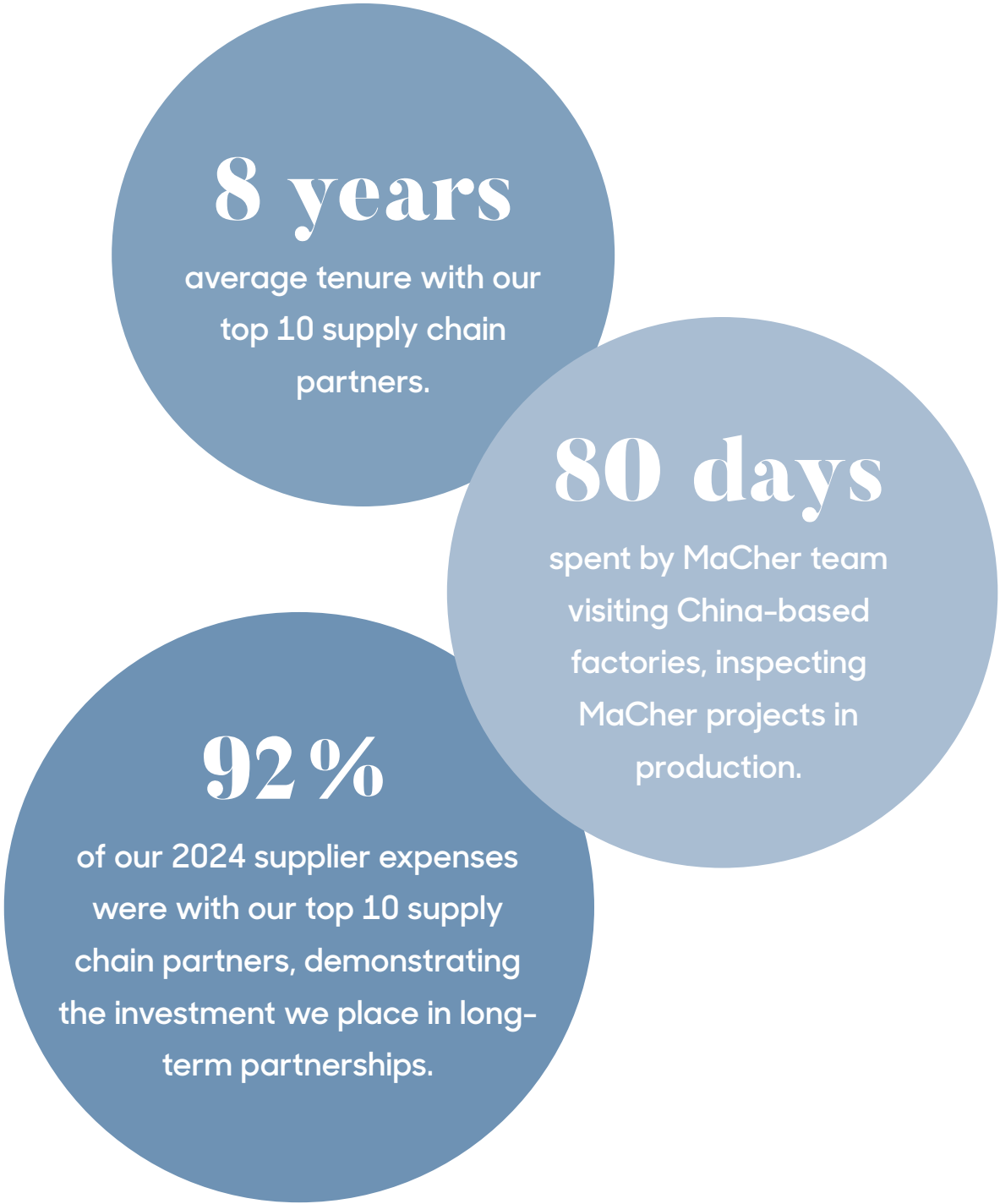
Direct collaboration allows us to manage quality effectively, ensuring consistent product standards.

CAPACITY & FLEXIBILITY

Understanding factory capacity enables efficient production planning and response to market demands.

SERVICE EXCELLENCE

Through our supplier network, we ensure successful service levels, consistently meeting customer expectations.



SUPPLIER STANDARDS

The ongoing management of our **Social Accountability Standards (SAS)** and **Standard Operating Procedures (SOP)** ensures our company values are being met through our supply chain.

Since 2014, we’ve required all core suppliers to commit to and sign this set of ethical, social, and environmental standards, and agree to periodic inspections and audits as we work with suppliers to ensure adherence and achieve continuous improvement.

100%

of our preferred supply partners are committed to adhering to our Social Accountability Standards (SAS) & Standard Operating Procedures (SOP)

MaCher Social Accountability Standards & Supplier Code of Conduct (SAS):

This contract establishes the standards for ethical working conditions according to the United Nations Universal Declaration of Human Rights and International Labor Organization conventions including:

- Code of Conduct
- Child Labor
- Forced and Compulsory Labor
- Disciplinary Practices
- Working Hours, Wages & Benefits
- Freedom of Association
- Discrimination
- Health & Safety
- Management Systems
- Sub Contractors and Sub Suppliers
- Corrective Action
- Anit-bribery / Anti-Corruption Policy
- Conflict Region Sourcing Policy

MaCher Global Standard Operating Procedure (SOP):

This contract ensures uniformity and consistency in operations across regions, including:

- Payment & Trading Terms
- Quality Expectations, Tolerance & Defective Goods
- Subcontract Policy
- Factory site visits by MaCher and inspections
- Confidentiality
- Order Procedure, timelines and samples
- Standard Order Procedure
- Material & Chemical Restrictions
- Testing Requirements
- Recycled & Organic Claims Verification Standard

SUPPLY CHAIN VISIBILITY

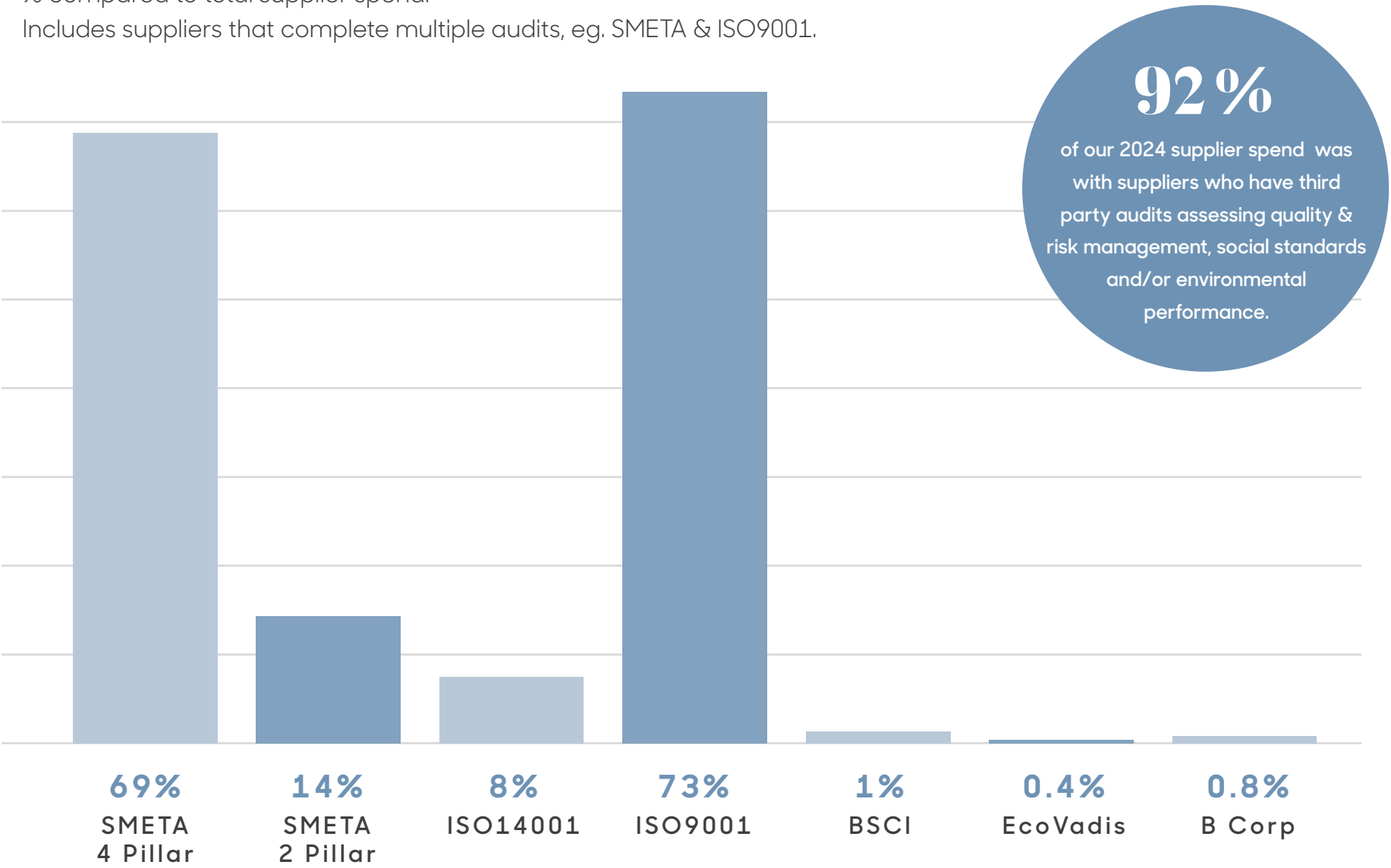
We use third-party audits and certifications of our suppliers to provide independent and objective assessments of quality & risk management, social standards, and environmental performance.

These help ensure credibility and compliance while minimising risk for our business and our global clients.

By combining these audits with our Social Accountability Standards, Standard Operating Procedures, and strong relationships, including on the ground presence in off-shore factories, we strive to maintain a supply chain that is as transparent as possible.

SUPPLIER THIRD PARTY AUDITS & CERTIFICATIONS

% compared to total supplier spend.
Includes suppliers that complete multiple audits, eg. SMETA & ISO9001.



POLICIES & PROCEDURES

We are committed to providing a work environment that is pleasant and safe for staff to work in. To achieve this important goal, MaCher sets out our standards and expected conduct of our team in a number of policies. These aim to ensure that everyone is acting in accordance with MaCher’s values and in the best interest of all stakeholders.

By following these policies and procedures, MaCher staff enjoy a positive work environment, and all stakeholders are afforded a best-in-class experience. Staff are required to acknowledge annual updates of all policies, with the opportunity for discussion if required.

As we work towards consolidating our EcoVadis performance and achieving B Corporation Certification, we’ll continue to strengthen our policies and practices to ensure we are supporting the financial, physical, and social well-being of all stakeholders including team members, clients, supply partners, and the environment.

DOCUMENTED POLICIES:

- Sustainability
- Workplace Health & Safety
- Workplace Discrimination, Harassment & Bullying
- Drug, Alcohol & Smoking
- Employee Code of Conduct
- Employee Volunteering
- Gender Pronoun
- Leave
- Supply purchasing
- Travel (includes carbon offset req. for all air travel when available)
- Remote working
- Equal Opportunity
- IT Security and Equipment Usage
- Email and Internet Usage
- Anti-Bribery and Corruption
- Whistle-blower
- Equipment disposal
- Confidentiality
- Intellectual Property



APPENDIX

OUR GOALS & TARGETS

KEY:

Complete / On Target

Behind Target

GOAL	STATUS	DUE	NOTES
Clear & accurate sustainability communication on website and social media.		December 24	Complete. In 2024 we prioritised website updates demonstrating best-in-class sustainable packaging and product design.
Include client /project specific sustainability recommendations on all brief submissions.		Ongoing	Done throughout the consultation, briefing, design and quoting stages.
Provide client education on relevant pack claims and labelling, including Australian Recycling Label (ARL).		Ongoing	ARL adoption by brand owners has been slower than anticipated. Feedback from clients has been that it doesn't suit their particular industry and/or the reporting requirements aren't viable for SMEs. Consolidated feedback on behalf of clients has been provided to APCO. Single Palette wine packaging range launched on ARL Marketplace Packaging Directory to accommodate SMEs.
Apply clear on-pack messaging to assist appropriate end-of-life product / packaging disposal by consumer.		Ongoing	Done at artwork stage.
Identify problematic products and transition brand owners to sustainable alternatives. Provide client guidance on APCO Prep Tool.		Ongoing	Done throughout the consultation, briefing, design and quoting stages.
Offer clients the option to carbon offset freight by end 2026.		December 23	This goal was originally set for 2023; however, emission reporting is not yet available through all MaCher freight forwarders. Status is evolving and expected to change throughout 2025-2026. Due date revised to December 2026.
Membership and involvement with key industry bodies – APCO, AIP, EcoVadis, Sedex.		Ongoing	Ongoing memberships ensure our practices and recommendations remain best-in-class.
Continue to work closely with supply chain partners to source and develop sustainable material alternatives.		Ongoing	This remains an ongoing focus for our design, development and production teams.

% based on annual revenue, 2024 calendar year

OUR GOALS & TARGETS, CONT.

KEY:

Complete / On Target

Behind Target

GOAL	STATUS	DUE	NOTES
Environmental assessment of Tier 1 suppliers by 2025. Document yearly performance on material recovery & recycling, water recycling & management, clean energy and energy efficiency.		December 25	In progress. 69% of 2024 supplier spend was with suppliers with Sedex 4 Pillar Audits, which include assessment of these performance factors.
Maximise paper material recovery through kerbside recycling collections with removal of PP laminations from all non-reusable packaging.		Ongoing	In 2024 non-recyclable and non-reusable paper products (i.e. landfill end-life) increased to 11% from CY23 result of 9%. This change is attributed to paper-based product measuring under 50mm in width and depth, which is therefore classified as 'not recyclable' through Australian recycling facilities. The alternative for this item would be to inflate the package size, hence using more material & resources, so production proceeded with the original small size.
Keep % of products manufactured with landfill end-life under 5% of annual revenue.		Ongoing	Achieved in 2024. Products with landfill end-life 4% of annual revenue in 2024, reduced from 11% of annual revenue in our baseline year 2021.
Achieve average 60% recycled content in paper products by 2025.		December 24	Paper products with recycled content made up 35% of total paper product revenue in 2024, an increase from our 2022 baseline of 20%, but a decrease from our 2023 performance of 54.66%. Change attributed to growing client preference for FSC papers, and recycled paper material cost and quality impacting brand owner uptake. Target to be reassessed in 2025.
Remove problematic plastics (PVC & PS) from packaging supply chain.		Ongoing	PS eliminated. PVC substituted with alternate materials. Achieved in 2023, maintain moving forward.
Achieve av. 30% recycled content in remaining plastics by 2025.		December 26	Behind Target. Current material cost & performance impacting brand owner uptake. Soft plastics in supply chain have been converted to recycled content LDPE. Challenge is with properties/stability of hard plastic. Remaining hard plastics are for primarily long-term reusable items, so performance and longevity is a priority.

% based on annual revenue, 2024 calendar year

OUR GOALS & TARGETS, CONT.

KEY:

Complete / On Target

Behind Target

GOAL	STATUS	DUE	NOTES
Phase out all virgin polyester textiles and replace with recycled polyester (RPET).		December 23	Current material cost impacting some brand owner uptake. 27%* of synthetic textiles were made with certified recycled content in 2024, an increase from 4% in our 2022 baseline year. Revise target to 60% by December 2026.
Present organic & recycled content cottons to brand owners as an alternative to traditional cotton.		Ongoing	Presenting to clients but current material cost impacting brand owner uptake.
Submit assessment for B Corp certification of MaCher Australia		April 24	Submitted June 2024, currently going through B Corp verification/auditing. Revise target to achieve B Corp Certification by December 2025.
Update EcoVadis assessment to progress from Bronze to Silver Certification		June 24	Silver target surpassed, achieved EcoVadis Gold Rating in 2023 and Platinum Rating in 2024. Revised target to maintain EcoVadis Platinum Rating moving forward.
Prepare formalised internal staff training paths to develop Sustainability and CSR skillset across the business.		Ongoing	Total employee sustainability training increased to 237 hours in 2024, from 176 hours in 2023, and 24 hours in 2021, our baseline year. Training has been group workshops and externally facilitated courses relevant to employee role.
Formal incorporation of social and environmental considerations in business and staff KPIs, with assessment of performance in annual reviews.		Ongoing	Business and staff KPIs have included social and environmental goals since March 2023.
Implementation of client engagement sustainability strategy. Prioritise building in-depth understanding of client specific sustainability needs and goals.		December 25	To remain an area of business focus throughout 2025.
Ongoing measurement of Scope 1, Scope 2, & Scope 3 emissions to understand of the carbon impact of our business and identify areas for potential emission reduction.		Ongoing	Review capability to measure Scope 3 freight emissions with freight providers.

% based on annual revenue, 2024 calendar year

The MaCher 2024 Impact Report is a snapshot of our progress thus far, as well as a road map for our future as a responsible business for good.

We invite questions, feedback, and discussion.

TO DISCUSS YOUR SUSTAINABILITY CHALLENGES:

Contact:

MaCher Australia

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macher.com.au | [@macheraust](https://www.instagram.com/macheraust)