

ANTI-BRIBERY AND CORRUPTION POLICY

POLICY 1017

1. Purpose

Michael Hill International (**Michael Hill**) is committed to operating its supply chain, business activities and business relationships in a professional and fair manner. This policy outlines:

- (a) Michael Hill's commitment to conducting all business operations in an honest and ethical manner.
- (b) The expectations and responsibilities of all Michael Hill personnel in observing and upholding the Michael Hill position on bribery and corruption.

2. Scope and application

This Policy applies to Michael Hill and its subsidiaries, all its employees, worker contractors, consultants, locations, operations and business activities. This policy further applies to all supplier relationships globally. To the extent a country has specific bribery and corruption laws which are of a lesser standard to this Policy, this Policy prevails.

3. Statement

Michael Hill will implement and enforce systems to counter bribery and corruption, whilst ensuring it always operates with integrity.

Michael Hill has a zero-tolerance stance regarding bribery and corruption, and is committed to preventing, deterring, detecting, and reporting these behaviours. It prohibits:

- Giving or receiving bribes to win or influence an outcome to either parties favour
- Practices that give rise to blackmail, threat, fraud or corruption.

All employees are expected to observe and implement the following controls as they relate to their role.

3.1. Conduct regular risk assessments

All business activities should routinely assess risks for bribery and corruption risk as part of the risk assessment processes. Preventative and detective controls are to be identified and implemented to address risks.

3.2. Know Your Supplier

All Michael Hill employees must adopt Know Your Supplier (**KYS**) rules when dealing with any customer or business partner, including the following:

- (a) Requiring all new suppliers and buyers of diamonds, precious metals or jewellery products and other significant business partners to complete background checks, and where required by the applicable law or warranted based on the risk assessment, seek further information before undertaking a business relationship.
- (b) Requesting key suppliers to complete an assessment on the Michael Hill supply chain transparency platform. This platform gathers information regarding the operational and procurement practices of direct suppliers via an online questionnaire. The resulting risk score dictates what further action is required.
- (c) Ensuring supplier agreements comply with Michael Hill 's Code of Business Ethics and Code of Conduct for Suppliers.

3.3. Act with integrity

The following applies when accepting or supplying gifts, meals (valued per head), corporate events (valued per head) or incentives (collectively gifts) with suppliers:

- (a) Gifts with a value of \$200 or more must be approved by the relevant Group Executive.
- (b) Any physical gift provided to an employee over \$200 may be considered Michael Hill property. All such incentives and gifts must also be recorded in the Gift Register which is held by the Chief Financial Officer or nominated delegate.

- (c) Political donations must be approved by the Chief Executive Officer prior to being performed and in line with the Delegation of Authority.
- (d) All other sponsorship and donations must be in line with the Delegation of Authority.

3.4. Escalate concerns or suspicious behaviour

If any Michael Hill employee or supplier suspects bribery or corruption practice, they are not to proceed with any transaction and are to escalate relevant information to the Risk and Compliance team via audit@michaelhill.com.au or via the whistleblowing services.

4. Accountability

The Chief Financial Officer has ultimate accountability for this policy and ensuring Michael Hill develops compliance activities and regularly reviews the policy for appropriateness.

5. Responsibilities

Responsibilities under this Policy are delegated as follows:

5.1. Responsible Person

The Group Internal Audit and Risk Manager, and Risk and Compliance Manager (**Responsible Persons**) are responsible for the ongoing review and oversight of any anti-bribery and corruption framework. This includes associated reporting and record keeping requirements (both internal and externally with respective regulators).

5.2. Procurement

Procurement managers are responsible for ensuring correct purchase practices and due diligence is performed when engaging and dealing with suppliers (both new and ongoing).

5.3. Management, Senior Leaders and Contract Owners

Management, Senior Leaders and Contract Owners are to assess business activities for bribery and corruption risk as part of routine risk assessment processes. Preventative and detective controls are to be identified and implemented to address risks and recorded in the relevant risk registers.

5.4. Other personnel

All other Michael Hill personnel are responsible for complying with this Policy and all ancillary processes and procedures.

Any staff, and their associated managers, found in breach of this policy may face disciplinary action.

6. Reporting (to the Approval Body)

The Responsible Person will provide regular and appropriate reporting to the Audit and Risk Management Committee (**Approval Body**), and will ensure the Approval Body is provided all necessary information to enable them to fulfil its Accountability.

7. Definitions

In this Policy, unless the context otherwise requires:

Accountability means the obligation to answer for an action; where an individual is held liable for meeting / not meeting agreed targets, objectives, their responsibilities, and the responsibilities for persons whom they are answerable for.

Bribery means making a payment of any amount or providing a financial benefit of any value to any person to deliberately distort a proper decision-making process, to influence a person's decision, to encourage them to secure an improper commercial advantage or to enter into a dishonest arrangement.

Corruption means the misuse of private power in relation to business or the misuse of public office or power for private gain, typically involving bribery.

Responsibility means the obligation to act; where an individual has been allocated a task to undertake, where a target or objective has been set in which the individual will be measured against.

8. Review

This Policy shall be reviewed biennially by the Audit & Risk Management Committee.

9. Policy information

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