



michael hill®
INTERNATIONAL LIMITED

Modern Slavery Statement 2023

Michael Hill Canada

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DISCLAIMER: This report has been prepared to address the key requirements of the Canadian Act and is a subset of our full Modern Slavery Report available on our Australian Investor website. This Modern Slavery Report reflects the modern slavery legislation in the countries we operate at the time of publishing. This includes the Modern Slavery Act 2028 (Cth) in Australia and the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Certain statements in this report constitute forward looking statements. Forward looking statements are statements (other than statements of historical fact) relating to future events and the anticipated or planned financial and operational performance of Michael Hill International Limited (the Company) and its related bodies corporate (the Group). The words "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "might", "anticipates", "projects", "assumes", "forecast", "likely", "outlook", "would", "could", "should", "continues", "estimates" or similar expressions or the negatives thereof, generally identify these forward looking statements. Other forward looking statements can be identified in the context in which the statements are made. Forward looking statements include, among other things, statements addressing matters such as the Group's future results of operations; financial condition; working capital; cash flows and capital expenditures; and business strategy, plans and objectives for future operations and events, including those relating to ongoing operational and strategic reviews, sustainability targets, expansion into new markets, future product launches, points of sale and production facilities. Although the Group believes that the expectations reflected in these forward looking statements are reasonable, they are not guarantees or predictions of future performance or statements of fact. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Group's actual results, performance, operations or achievements or industry results, to differ materially from any future results, performance, operations or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include, among others: global and local economic conditions; changes in market trends and end-consumer preferences; fluctuations in the prices of raw materials, currency exchange rates, and interest rates; the Group's plans or objectives for future operations or products, including the ability to introduce new jewellery and non-jewellery products; the ability to expand in existing and new markets and risks associated with doing business globally and, in particular, in emerging markets; competition from local, national and international companies in the markets in which the Group operates; the protection and strengthening of the Group's intellectual property rights, including patents and trademarks; the future adequacy of the Group's current warehousing, logistics and information technology operations; changes in laws and regulations or any interpretation thereof, applicable to the Group's business; increases to the Group's effective tax rate or other harm to the Group's business as a result of governmental review of the Group's transfer pricing policies, conflicting taxation claims or changes in tax laws; and other factors referenced to in this report. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the Company's actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected. Accordingly, you are cautioned not to place undue reliance on any forward looking statements, as there can be no assurance the actual outcomes will not differ materially from the forward looking statements in this report. Except as required by applicable laws or regulations (including the ASX Listing Rules), the Group does not intend, and does not assume any obligation, to update any forward looking statements contained herein. All subsequent written and oral forward looking statements attributable to us or to persons acting on the Group's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

TERMINOLOGY: In this report, unless otherwise specified or appropriate in the context, the term "Company" refers to Michael Hill International Limited, and the terms "Group" or "Michael Hill" refer to the Company and its subsidiaries (as appropriate).

OUR COMMITMENT

At Michael Hill, our role is to help create the moments that matter for our customers, environment, our communities and our teams. Founded in New Zealand, Michael Hill International Limited and its subsidiaries (Michael Hill or the Group) has expanded to also operate in Canada and Australia, with our supply chain spanning across the world. People are the heart of Michael Hill and are the reason we exist. Across our entire value chain - customers, suppliers, team and communities - people are vital to bringing our brand to life.

Modern slavery has the potential to exist within our complex supply chain and this is a systemic challenge across the jewellery industry. According to the International Labour Organisation, 49.6 million people were living in modern slavery in 2023 and we want to be a part of the solution to resolve this global issue.

In 2022 Michael Hill released its 2030 Sustainability Goals and Vision, centred around three key pillars of Product, Planet and People. We see sustainability, ethical sourcing and modern slavery being intrinsically linked, ensuring we address all of these elements by our actions. The sustainability manifesto is accelerating our roadmap to tackling modern slavery, in particular, becoming a more responsible, sustainable business, including progress towards improving the lives of the communities we serve in meaningful ways and for generations to come. Michael Hill is dedicated to upholding the highest standards in ethics, social responsibility, environmental sustainability and responsible sourcing, and our commitment to striving for our goals is unwavering.

In 2023 Michael Hill achieved our Responsible Jewellery Council three-year certification, a significant milestone, demonstrating our commitment to excellence in the jewellery industry and promoting trust and transparency in our supply chains. This certification not only represents a key component of our modern slavery framework but serves as the cornerstone of our global standard for responsible jewellery business practices.

As a Group, we support the initiatives to address modern slavery in all of the countries we operate and look to ensure risks in our supply chain are minimised. We are committed to upholding human rights and fair working conditions across all our countries of operation. We are consistently striving to improve the already high benchmarks we have set in the business and take a zero-tolerance approach to modern slavery in any of its forms in our operations and supply chains.

OUR MODERN SLAVERY STATEMENT

This Modern Slavery Statement for Michael Hill covers the financial year ended 2 July 2023 (FY23) and addresses the mandatory reporting criteria outlined by the Canadian and Australian legislation. The statement outlines the approach

and actions taken by the Group to identify, manage and mitigate risks of modern slavery. It further includes a plan for clear action, our continued journey and commitments ahead.

FY23 has been a significant year for maturing our sustainability and modern slavery activities. It has seen the execution of several program commitments, particularly with regard to uplifting capability and awareness across our business, increasing the coverage of our Supplier Transparency Platform to assess the risk of modern slavery (encompassing forced and child labour), and increasing the volume of third-party audits and management factory visits in high-risk locations. A number of governance enhancements including further strengthening our policies for anti-slavery and ESG requirements and the establishment of a Sustainability Steering Committee, provide the business the guardrails and frameworks to manage this risk area.

Whilst we have not identified instances of modern slavery in the countries we operate, we are aware breaches of legislative requirements and regulatory standards may exist in our supply chains, and if left unresolved can cause modern slavery issues. This includes a higher prevalence of social and labour non-conformances in China, Myanmar and Vietnam for non-stock vendors, with working hours and overtime being common issues. We acknowledge the seriousness of these breaches and working conditions, and continue to engage with our suppliers to not only remediate impacted workers but elevate working environment standards through strengthened policies, procedures and practices.

It is imperative we maintain a strong vigilance to ensure the risk of modern slavery is minimised throughout our supply chains and remains at the forefront of our priorities.

APPROVAL

This statement was approved by the Board of Directors of Michael Hill in their capacity as the overarching governing body for the Group on 22 February 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects of the Act, for the reporting year listed above.

Regards,
Daniel Bracken, Managing Director and CEO
14 May 2024



I have authority to bind Michael Hill International Limited.



PROGRAM HIGHLIGHTS

6

Third-party factory **audits** performed

30

Management factory **visits**

No

known instances of **modern slavery**

Rollout of modern slavery **training**

Progression towards

100%

responsibly sourced suppliers

20%

of our supplier base are on the **Supplier Transparency Platform**, representative of

70% total **spend**

Empowering Women globally

with Dress for Success and Women's Refuge

RJC 3-year

accreditation **achieved**

Sustainability

Launch of a Sustainability **Steering Committee**



OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Michael Hill is an international omni-channel jewellery retailer, providing customers with Michael Hill branded jewellery, related product care packages and repairs.

The parent company, Michael Hill International Limited (the Company, Group or Michael Hill), headquartered in Brisbane Australia, is a public company listed on both the Australian Securities Exchange and the New Zealand Stock Exchange (ASX/NZX: MHJ).

The Group operates through three retail brands - Michael Hill, Medley and Bevilles. All Group activities operate under the direction and governance of the Board of Michael Hill International Limited and all share the same executive management and senior leadership team. A list of Michael Hill controlled entities is available in the Annual Report and further

information on Michael Hill can be found on the investor website at investor.michaelhill.com.

During the reporting period, we actively consulted with the companies we own or control in the development of this statement. All companies are managed and governed by central bodies who have signed off on this statement, including the governing committees (Board and Audit & Risk Management Committee). Common practices such as enterprise risk management processes, sustainability initiatives and monitoring of supplier performance exist for all brands and are performed centrally by the management team.

OUR OPERATIONS

RETAIL BRANDS RELEVANT TO CANADA

michael hill.

Effective 2 July 2023, Michael Hill has omni-channel and digital offerings in Australia, New Zealand and Canada. We continue to focus on digital platforms to modernise customer experience and reach new markets. Additionally, we expanded our marketplace strategy by opening into new markets for the brand. In May, we partnered with Zalora to enter both Singapore and Malaysia markets.

Michael Hill operates a total of 278 stores - 146 stores in Australia, 46 in New Zealand and 86 stores in Canada, excluding Quebec.

MEDJEY™

Medley is a pure-play e-commerce business available in Australia and other international markets, and products are sourced through the Michael Hill supply chain.

Further information on Medley can be found at medleyjewellery.com.au.



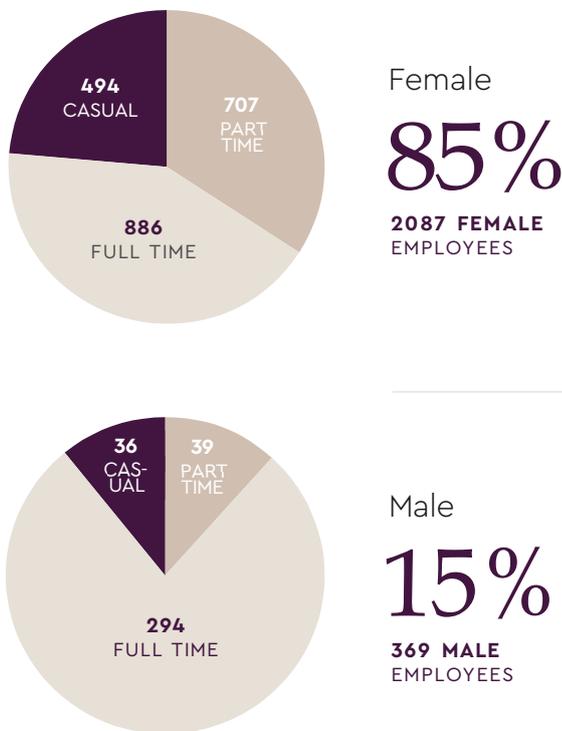
EMPLOYEES

Globally, the Group employs approximately 2,500 employees across retail sales, manufacturing and corporate roles, with the majority of these roles based in our retail network.

As of 2 July 2023, the total number of Michael Hill employees across each market is outlined below.

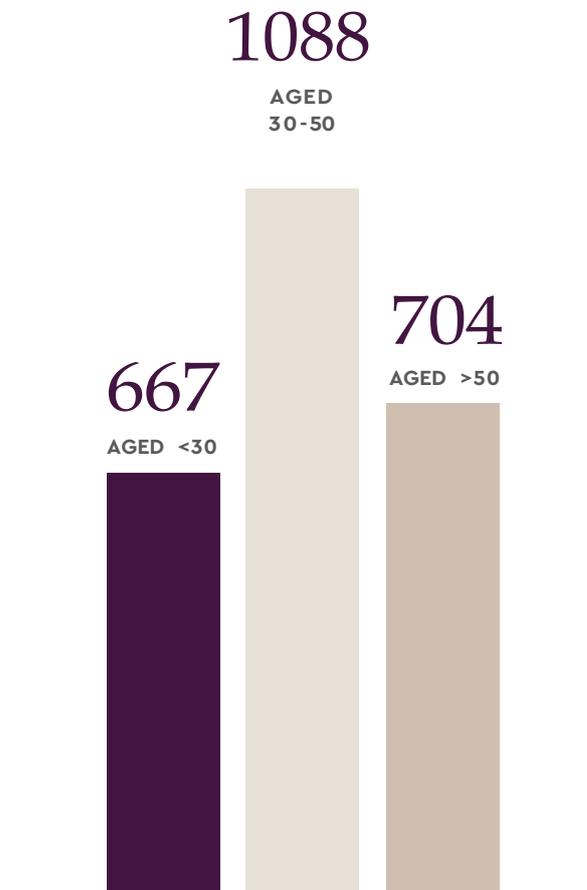


Gender Split



3 EMPLOYEES HAVE NOT PROVIDED GENDER INFORMATION

Age Distribution



“We pride ourselves on having a highly engaged and enabled workforce who love what they do and where they work.”

JOANNE MATTHEWS, CHIEF PEOPLE OFFICER

HEAD OFFICE

Our head office is located in Brisbane and houses our manufacturing, distribution and corporate divisions. Our distribution centre supplies products across the store network and to our e-commerce customers. In August 2022, the Company executed a seamless relocation of its global Australian headquarters to a new purpose-built premises housing the global support functions, with a reimagined artisanal jewellery workshop and state-of-the-art Australasian distribution centre. Our new Australian offices provide a contemporary, dynamic and productive environment, strategically aligned to Michael Hill's aspirational brand journey.

Craftsmanship is one of the founding pillars, and deep in the heritage of our business. Michael Hill first established an in-house workshop in the 1980s, and we are one of the only Australian jewellers to maintain a retail-led workshop to this day, with a dedicated team of master craftsmen, diamond specialists and quality control professionals. Where possible, we believe it is important for our business model and local communities to keep manufacturing industries alive in the markets we operate, to support local jobs and protect our supply chain from disruption. Having our in-house workshop located alongside our head office and Australian distribution centre ensures our manufacturing team are a central, focal point of our organisation as we continue to increase our focus on, and delivery of, quality product from this area.

Michael Hill has a full-time team of 32 people in our Australian manufacturing team, working locally in Brisbane who hand make and bring our quality Made in Australia pieces to life.

We have proudly partnered with TAFE Queensland to provide employment opportunities for talented apprentices in the jewellery trade. Our team is committed to keeping the jewellery trade alive and TAFE Queensland have provided three apprentice positions into our unique artisanal jewellery manufacturing operations, with a further intake in the coming year.

Our craftspeople bring our beautifully Made in Australia pieces to life, and responsible for:

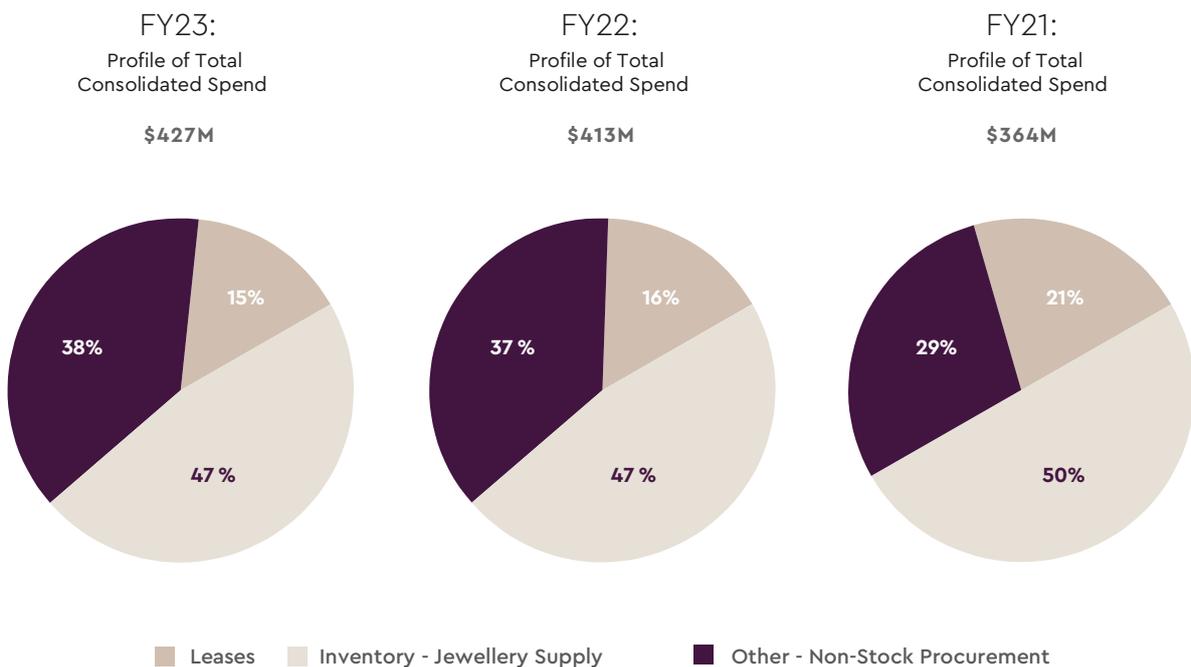
- 81% of all solitaire engagement rings being made in Australia.
- Made in Australia product making up 13% of Michael Hill's international sales.
- 26,839 individual products being crafted in our Australian manufacturing facility.

OUR SUPPLY CHAIN

We are aware there is potential for modern slavery risk in our supply chains given Michael Hill's global footprint and diverse supply chains associated with sourcing our products, including sourcing from various geographic locations.

Our supply chain consists of three core categories - jewellery, non-stock procurement and retail leases.

Michael Hill's respective business divisions (primarily procurement, merchandising, manufacturing, leasing and IT teams) manage our supplier relationships, with business support provided by our Risk and Compliance and Legal teams. In FY23 we worked with approximately 1,000 suppliers globally with a total consolidated spend of **\$427 million** (including retail store leases) and our supply chain spend is shown below. Michael Hill's top ten suppliers attribute to **\$158 million** (37%) in spend.



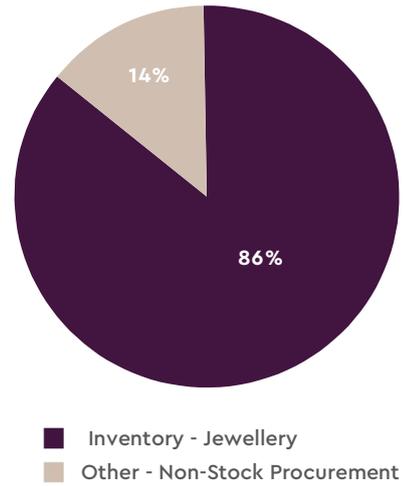
JEWELLERY SUPPLY CHAIN

Our jewellery supply chain comprises finished goods, raw materials, loose stones and component parts. Eight of the top ten suppliers are in this category.

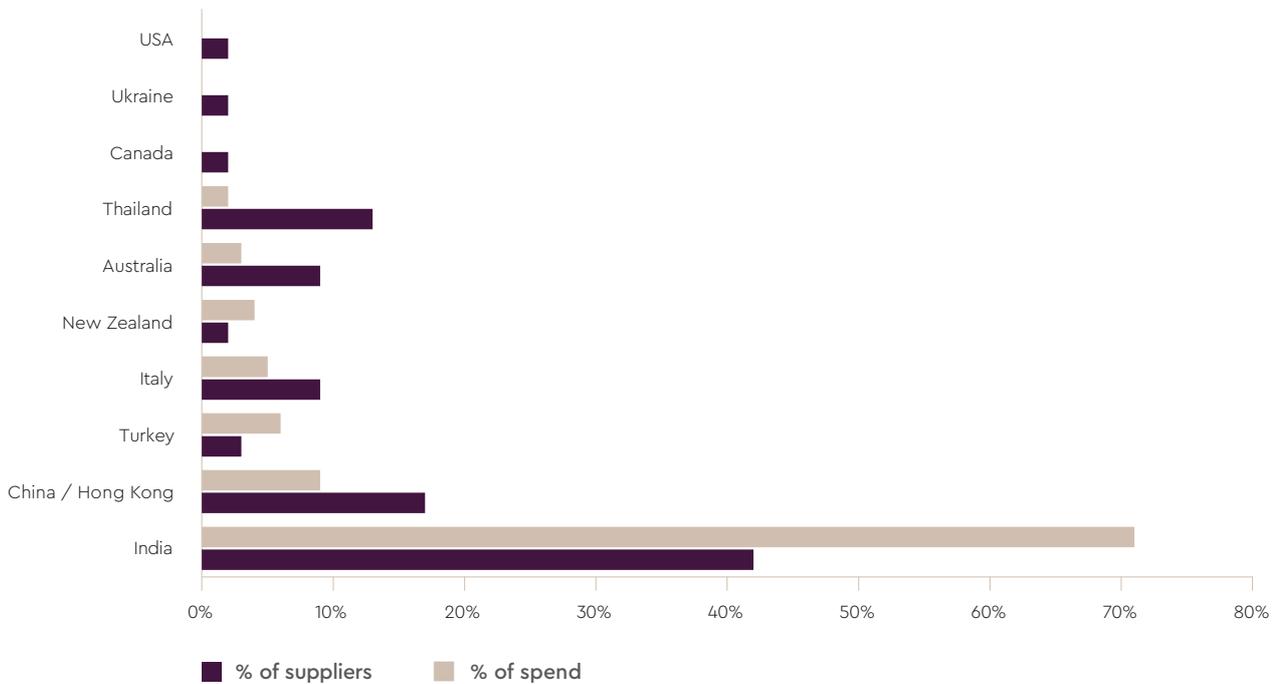
Given the nature of our products and materials sourced, Michael Hill's supply chain indirectly incorporates the mining operations from which raw materials used in jewellery products are sourced, and intermediate parties sourcing materials prior to procurement by Michael Hill.

Michael Hill has a jewellery supplier base of **64 jewellery suppliers**, many of which we have well-established and long-standing relationships with. A breakdown of our jewellery supplier base including profile of total spend per country is shown below. Refer to section *Progress Made in FY23* for further details regarding the profile of our suppliers, including certification status.

Profile of Top 10 Supplier Spend - FY23



Profile of Jewellery Supplier Spend per Country - FY23
(excluding Michael Hill's Australian local production)



NON -STOCK PROCUREMENT

Non-stock procurement includes suppliers whose services contribute to our operations and administrative functions in Australia, Canada and New Zealand. They include:

- Marketing (advertising, digital and media agency, creative agency suppliers)
- Merchandise (display, packaging, print and display suppliers)
- E-commerce (digital suppliers)
- Corporate, legal services and finance consultants
- IT (technology support, consultants, managed services, developers)

- Property (facilities management, store fit out, cleaning, waste, maintenance)
- Security services
- Jewellery repairers (third party jewellery repairers)
- Freight and logistics.

RETAIL LEASES

Michael Hill's retail leases are primarily with the larger landlords operating in shopping centres and city venues in our three countries of operation.

RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS

Michael Hill considers three key risk areas as part of our modern slavery risk - entity, geographical and sector and industry.

ENTITY RISK is defined as those entities which have particular modern slavery risks because of their poor governance structures, a record of treating workers poorly or a track record of human rights violations.

GEOGRAPHIC RISK defines some countries as having a higher risk of modern slavery due to poor governance, weak rule of law, conflict, migration flow and socio-economic factors like poverty.

SECTOR AND INDUSTRY RISK is defined as certain sectors and industries may have high modern slavery risks because of their characteristics, products or processes.

ENTITY RISK

As part of Michael Hill's annual risk work, we undertake risk assessments of our processes and business units to determine a holistic view of our entity's exposure to and risk of modern slavery practices within the Group's operations and supply chain. This risk assessment considers several factors, including the geographical location of suppliers, products and services being procured in the supply chain and the activities undertaken by the Group. For jewellery suppliers, Michael Hill assesses entity risk by understanding certifications suppliers hold and relevant regulations and industry standards (e.g. responsible sourcing standards) complied with, undertaking Know Your Supplier processes, press articles, reference checks and third-party audits.

The Group's exposure to risks of modern slavery practices is primarily concentrated in our jewellery supply chain, given the geographical spread of suppliers and countries with a higher global slavery index and the nature of product supplied by these suppliers. The jewellery industry often involves long complex global supply chains, making it difficult to trace the origin of raw materials and conditions under which they were produced. This can create opportunity for exploitive practices to occur. For example, mining of precious metals has been associated with unethical or illegal activities such as

human rights abuses or involvement in conflict financing, and we continue to gain visibility of the upstream impact on our supply chain and responsible sourcing standards suppliers comply with.

While our primary focus remains on our jewellery supply chain, and will remain so in the coming years, we adopt a risk-based approach to onboarding new suppliers. This includes identifying non-jewellery providers who pose a higher risk of modern slavery. This includes suppliers who provide labour intensive services (e.g. jewellery repairs, product manufacture, security services), low skilled labour, industries with long, complex and non-transparent supply chains and industries which rely heavily on overseas products in countries with lower labour standards.

GEOGRAPHICAL RISK

Our geographic risks are broken down into where we operate our business activities and where we source our products and labour-based services.

WHERE WE OPERATE

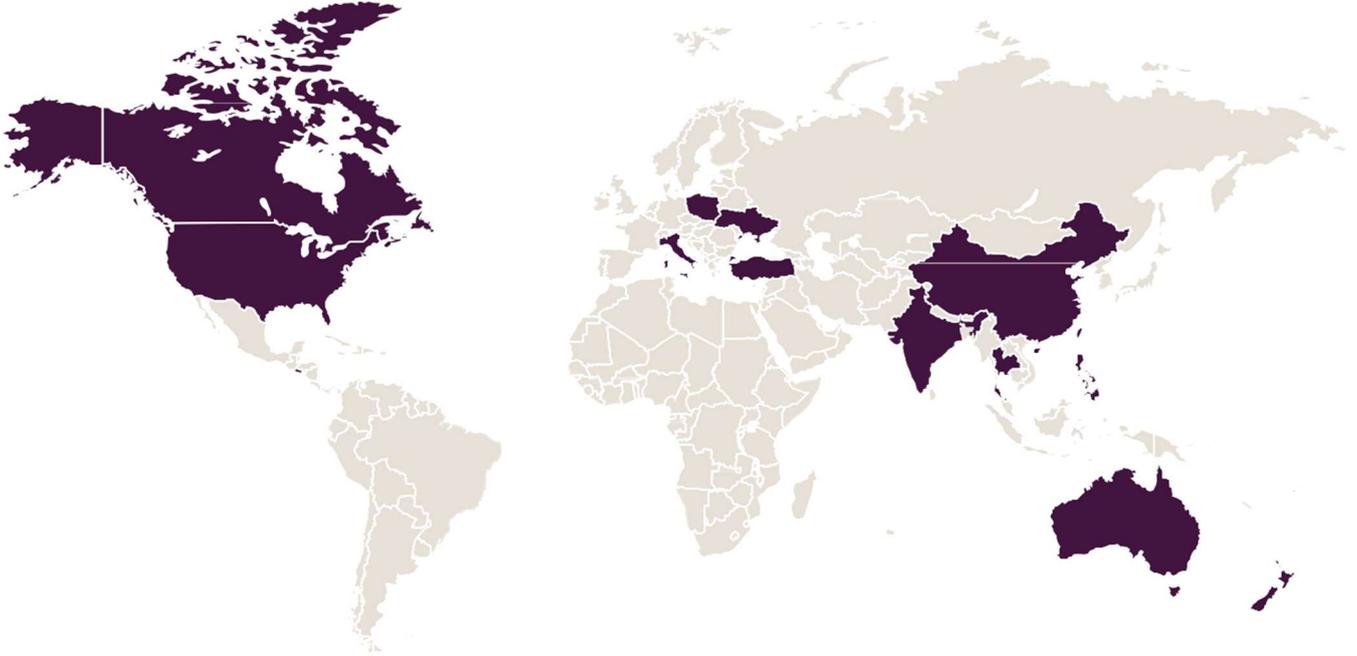
Michael Hill operates retail stores in three countries - Australia, Canada and New Zealand. The Global Slavery Index identified Michael Hill's three countries of operation as low in terms of prevalence of modern slavery and vulnerability of population. The Government response to modern slavery in all three countries is rated as high.

Our employees are employed under employment awards and contracts within Australia, New Zealand and Canada. These countries have formal employment practices to protect employees' rights. Michael Hill launched its new Enterprise Agreement in Australia on 12 December 2022, which showcases care for our team through the introduction of paid parental leave for primary and secondary carers and new benefits such as increased base pay rates, paid family and domestic violence leave, and additional rostering provisions to allow flexibility for team members.

In Australia there have been several companies who have underpaid workers in the retail sector. Michael Hill was one of these companies and reported this in FY19, and have been working with regulators since to remediate this. We have now completed our wage remediation program, with Fairwork sign off received in May 2023.

WHERE WE SOURCE

The geographical risk of our suppliers is calculated using reputable global indices, including the Global Slavery Index. Geographic impacts do exist in our supply chain, and these are described below. The countries listed below include the regions in which our suppliers on our Supplier Transparency Platform are located.



Asia

The Group sources several products and raw materials from countries that have been identified as having increased risk of modern slavery. Higher risk supplier countries include India, Thailand, Myanmar, Philippines and China. Particularly, gems sourced from India were listed in the US Department of Labor's 2018 List of Goods Produced by Child Labor and Forced Labor. While Michael Hill conducts due diligence activities in relation to its suppliers, there are inherent risks due to the high volume of goods purchased from suppliers and the complex upstream supply chains which operate in these countries.

The majority of our jewellery suppliers in India and Thailand are certified members of the Responsible Jewellery Council. We have worked closely with these suppliers to understand their operations, supply chains and commitments to responsible sourcing. The risk of modern slavery in these suppliers is lower given the due diligence performed and Responsible Jewellery Council (RJC) certifications held by suppliers. Michael Hill also maintains close relationships with these suppliers and performs factory visits.

Europe

The Group deals with several Italian and Turkish suppliers to source finished jewellery. The Global Slavery Index provides that Italy has a low to medium risk of modern slavery. Turkey has a higher prevalence to modern slavery and vulnerability of population and a lower government response rating.

All of our Italian and Turkish suppliers are either RJC accredited or RJC members.

North America

The Group deals with a number of suppliers who provide services to Michael Hill based in Canada. This includes jewellery repairers, security services, freight and logistics and shop fitters. Michael Hill has one Jewellery diamond supplier in Canada, of which we have declining sourcing activity. Per the Global Slavery Index, Canada's prevalence of modern slavery and vulnerability of population is low and the Government response to modern slavery is rated as high.

Further assessment of our Canadian suppliers is scheduled for FY25 given some of the supplier industries are human intensive in nature, and industries considered long and complex (e.g. security services) which involve the use of low-skilled labour.

The total spend of Michael Hill's Canadian supplier base is approximately 5% of Michael Hill's FY23 total consolidated spend.

Central America

The Group deals with one supplier in El Salvador. El Salvador has a higher prevalence of modern slavery.

We performed an audit of this supplier in FY23 and identified safety non-conformances. We worked with this supplier to remediate effective immediately and will undertake a further site audit to validate the effectiveness of these remediated processes.

SECTOR AND INDUSTRY RISKS

Certain industries have higher exposure to modern slavery risks due to characteristics of the industry or products or services sold. As a leading brand in the jewellery industry, we recognise that our supply chain is long and complex with inherent supply chain risk exposures that come from operating within the global mining and extraction industry, especially artisanal, small-scale informal mines. While Michael Hill avoids sourcing directly from mines or artisanal small-scale miners, difficulties do exist in gaining complete transparency over the full upstream supply.

For example, there is limited guidance and inherent risk over sourcing practices in the coloured gemstones and pearl industries comparative to the diamond and precious metal industry. The gemstone industry is a concern due to risk of labour exploitation in developing countries. In response to

the limited guidance available, Michael Hill took the initiative to develop a risk matrix which assesses all coloured stones and pearls based on country of origin in accordance with the country-level Corruption Perception Index and the Global Slavery Index, providing intelligence to our sourcing teams over product and sourcing countries to avoid.

Modern slavery risk is prevalent in other sectors due to their specific characteristics, products and processes. Michael Hill uses a number of human intensive industries, including cleaning, security and facilities management, which have the potential to have a higher risk of modern slavery due to factors such as the widespread use of low-skilled labour. Such services are regularly procured through outsourcing arrangements, where poor labour practices (e.g. underpayment or exploitation) can be more easily concealed.



HOW WE ADDRESS MODERN SLAVERY RISKS

Michael Hill oversees modern slavery risks at a Group level through governance committees, supplier due diligence processes and key policies and procedures addressing modern slavery risk (i.e. Modern Slavery framework). This framework (shown below) is underpinned by the Responsible Jewellery Council's Codes of Practices which we formally adopt and promote to suppliers as our global standard and benchmark for being a responsible jewellery business.

PROGRAM OBJECTIVES			
Build robust management systems for monitoring supplier compliance and compliance with modern slavery and legal requirements	Support of sustainability strategy regarding responsible sourcing	Create transparency in our practices	Monitoring and reporting on human right issues
	Educate, uplift and mature supplier capability	Training and awareness of modern slavery risk	Continuous improvement of supplier performance

PROGRAM GOVERNING FRAMEWORKS			
RJC FRAMEWORK (COP 5, 6, 7, 14)	<p>1. PRE-ENGAGEMENT SCREENING</p> <p>Pre-engagement screening by buyers / contract owners. This includes issuing the following new supplier documents:</p> <ul style="list-style-type: none"> For jewellery suppliers: RFI, inclusive of ESG and modern slavery requirements 	<ul style="list-style-type: none"> New Supplier Form Know Your Counterparty Form Signed Supplier Code of Ethics and Conduct <p><i>Where supplier due diligence is successful, supplier qualifies for Phase 2.</i></p>	<p>PROGRAM GOVERNING COMMITTEES</p> <ul style="list-style-type: none"> Audit & Risk Management Committee Sustainability Steering Committee <p>KEY POLICIES AND PROCEDURES</p> <ul style="list-style-type: none"> Business processes supporting RJC Code of Practices Code of Conduct Supplier Code of Ethics and Conduct Group Supply Chain and Procurement Policy Grievance Procedure Policy Whistleblower Policy Anti-Bribery and Corruption Policy Conflict Free Diamonds and Sourcing Policy <p>TRAINING</p> <ul style="list-style-type: none"> Modern Slavery Training
	<p>2. CONTRACT EXECUTION</p> <p>Engagement through contractual documentation with strong contractual controls for anti-slavery.</p> <p>The following contractual documentation is used:</p>	<ul style="list-style-type: none"> Contract Execution Form Signed terms and conditions, inclusive of anti-slavery terms and conditions and responsible sourcing requirements where applicable. 	
	<p>3. SUPPLIER ONBOARDING</p> <p>Supplier is onboarded and business is able to consume services and procure product.</p>		
	<p>4. PERFORMANCE MONITORING</p> <p>Ongoing monitoring of supplier performance at intervals agreed with the supplier. This includes Quarterly Business Review (QBR) for jewellery suppliers. Monitor changes in supplier risk profile and modern slavery scores.</p>	<p>Where supplier is assessed as a high-risk supplier, commission an on-site independent Modern Slavery Factory Audit.</p> <p>Results of audits are reported to the Audit & Risk Management Committee and Sustainability Steering Committee.</p>	
	<p>5. SITE/SUPPLIER AUDIT</p> <p>Onsite independent audit performed by Bureau Veritas.</p> <p>Michael Hill management perform Modern Slavery Compliance Checks when visiting supplier factories.</p>		
	<p>6. SUPPLIER ENGAGEMENT AND REMEDIATION</p> <p>Audit Report issued.</p> <p>Minor Non-Conformances: Where Audit Report identifies minor non-conformances, further remediation is performed by desktop only.</p> <p>Major Non-Conformances: Where Audit Report identifies major non-conformances, on-site remediation is performed.</p>	<p>Where supplier has actioned all non-conformances, supplier performance is monitored in accordance with Phase 4.</p> <p>Where supplier has not actioned non-conformances within an acceptable timeframe, end engagement with supplier.</p>	



GOVERNANCE AND OVERSIGHT

The Board of Michael Hill are responsible for the oversight of the Group's governance, strategy and execution of the business plan. Further, the Board are responsible for ensuring:

- Compliance with Michael Hill's Code of Ethics and Code of Conduct.
- Progress in relation to Michael Hill's diversity objectives and compliance with the Diversity and Inclusion Policy.
- Overseeing the management of modern slavery risks through the Group's compliance processes and Risk Management Framework.

The Board has established two committees to report on these responsibilities:

- Audit & Risk Management Committee.
- People Development & Remuneration Committee.

Day to day management of the Group's affairs and the implementation of the corporate strategy are formally delegated by the Board to the Managing Director and Chief Executive Officer and Group Executives.

Furthermore, modern slavery risk is governed, monitored and addressed through the following:

1. Supplier Onboarding and Contracting:

Michael Hill's supplier onboarding processes include:

- Know Your Customer checks.
- Supplier contracting - Contact Execution Form and Contract Terms and Conditions ensuring suppliers agree to minimum responsible sourcing requirements, including certifications held and anti-slavery requirements.
- Suppliers acknowledging our Supplier Code of Ethics and Conduct and completing an Ethical Supply Chain Questionnaire which outlines the suppliers' level of compliance in managing modern slavery risk.

2. Quarterly Business Review (QBR):

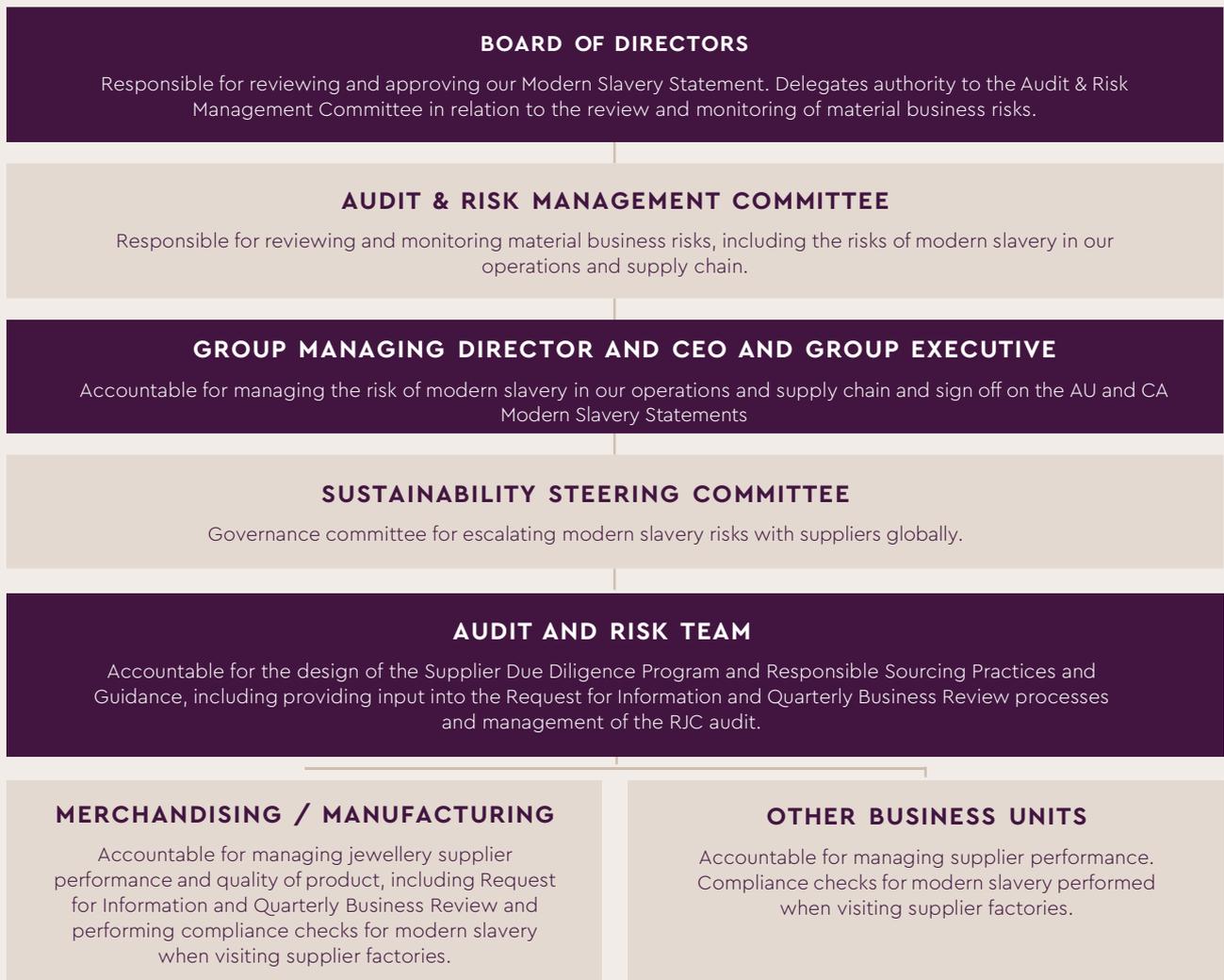
QBR processes were introduced in FY23 with jewellery suppliers. Suppliers' quantitative and qualitative factors are assessed, including an assessment of the suppliers Environmental, Social and Governance (ESG) score which includes an assessment of supplier's modern slavery risk. Suppliers are issued performance scores for each quarter, and areas for improvement are identified which are required to be remediated ahead of the next quarterly business review. Where no improvement or progress is made with the supplier, this is escalated to management regarding our continued engagement with the supplier.

3. Governance:

With the launch of our Sustainability Strategy in FY22, modern slavery and sustainability have become intrinsically linked, with the responsible supplier pillar focussed on ensuring we only source from responsible and ethical suppliers. In FY23, the Sustainability Steering Committee was established to oversee the execution of our strategy and progress of each of our sustainability pillars.

The Audit & Risk Management Committee is provided regular updates on our modern slavery progress, including assurance coverage over our supplier base, audit progress, audit findings, and any identified risks and supplier concerns.

The diagram below outlines the governance composition of Michael Hill's stakeholders and respective corporate functions responsible for modern slavery risk management.





RESPONSIBLE JEWELLERY COUNCIL MEMBERSHIP

GOVERNING FRAMEWORKS

The Responsible Jewellery Council (RJC) is the jewellery and watch industry's leading standard setting organisation and Michael Hill's framework underpinning our ethical, social, environmental and responsible sourcing requirements. Membership requires businesses to demonstrate compliance with rigorous Codes of Practices (COPs) covering all aspects of the business from sourcing, procurement, manufacturing and sale of jewellery. A key principle of compliance under this framework includes human rights, protecting and respecting the rights of workers throughout the supply chain, including fair wages, safe working conditions, and no child and forced labour.

Michael Hill is proud to continue our long standing RJC membership and we closely monitor ongoing developments with the RJC and the broader global impacts on the jewellery industry supply chains. Michael Hill continues to endorse the COPs as the benchmark for our business. By adopting these COPs, the Group has a framework that aligns to industry standards and is specific to the jewellery industry. We have aligned our modern slavery approach with key RJC COPs most relevant to modern slavery:

- **COP 5** - Business Partners
- **COP 6** - Human Rights
- **COP 7** - Due Diligence for Responsible Sourcing from Conflict-Affected and High-Risk Areas
- **COP 14** - Provenance Claims.

In FY22 we completed our RJC re-certification audit. The RJC issued Michael Hill a three-year certification effective for the period 19 February 2022 to 19 February 2025. In our certification we made a provenance claim related to the De Beers Code of Origin range. The range includes diamonds ethically sourced from the De Beers Code of Origin Trusted Source Program, reflecting a dedication to social and environmental responsibility.

Our re-certification to 2025 is a major milestone in our sustainability journey, demonstrating our commitment to responsible jewellery and promoting trust and transparency in our supply chains.

In addition, we are committed to ensuring our certified diamonds are conflict-free. We purchase our diamonds from sources we know and trust. All diamonds are purchased under the Kimberly Process which was instigated in 2003 to help combat the trade in conflict diamonds.

POLICIES AND EDUCATION

Our policies and procedures are the basis for how we operate, including identifying and addressing risks of modern slavery.

Michael Hill has several policies that articulate our values and expectations to our team members and to our suppliers. The policies listed overleaf address modern slavery risks, inclusive of child and forced labour, and each policy is subject to the approval or oversight from the Board or endorsement by the respective Executive Team. Our policies apply to the group, regardless of country of operation.

POLICY / RESOURCE	PURPOSE
Group Supply Chain and Procurement Policy	Our Group Supply Chain and Procurement Policy demonstrates Michael Hill's commitment to operating in accordance with the RJC Code of Practices and compliance with sourcing processes required to procure goods and services, including not buying or selling conflict diamonds and raw materials or assisting others to do so.
Michael Hill Code of Conduct (the Code)	<p>The Board has established a Code of Conduct (the Code) for its directors, senior executives, and employees. The Code establishes the principles, standards and responsibilities to which Michael Hill is committed with respect to both its internal dealings with employees and consultants, and external dealings with shareholders and the community at large. In summary, the Code requires that Michael Hill personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and Michael Hill policies.</p> <p>The Code also requires employees, directors and contractors who are aware of unethical practices within the Group or breaches of the Code to report these to management (which can be done anonymously in accordance with Michael Hill's Whistleblower Policy).</p>
Code of Business Ethics and Code of Conduct for Suppliers	The Code of Business Ethics and Code of Conduct for Suppliers reflects the operating principles and expectations of Michael Hill suppliers. This includes the expectations on our suppliers, regarding embracing Michael Hill's sustainability strategy and sourcing in accordance with OECD standards and responsible sourcing guidance. The Code outlines compliance with laws, bribery and corruption, money laundering and counter-terrorism financing and human rights processes. The Code also outlines our expectations on conflict free diamond and raw metal sourcing. The Code is required to be signed as acknowledgement by suppliers, is publicly available on Michael Hill's Investor Relations website and forms part of the supply contract for all suppliers.
Conflict Free Diamonds and Diamond Sourcing Policy	The Conflict Free Diamonds and Diamond Sourcing Policy outlines our commitment to not buy or sell conflict diamonds or assist others to do so. The policy complies with the Kimberly Process Certification Scheme (KPCS) and World Diamond Council (WDC) System of Warranties (SoW) in the eradication of conflict diamonds from the world diamond trade.
Grievance Procedure Policy	A Grievance Procedure Policy is available to all employees and provides guidance on the formal and informal grievance management processes. The following can be reported: complaints, unfair activity regarding contracts or dealings with Michael Hill and complaints or concerns about our supply chain. All complaints or concerns can be raised by interested parties via email or telephone through the whistleblower channels.
Whistleblower Policy	The Whistleblower Policy demonstrates the commitment of Michael Hill's Board, Group Executive Team and Management to building a culture of transparency and accountability. The policy outlines the avenues available to report concerns regarding misconduct or improper action, and the protection and support offered. Whistleblower channels are independent and confidential reporting avenues. Suppliers acknowledge their responsibilities for reporting of any concerns of breaches through signing of the Code of Business Ethics and Code of Conduct for Suppliers.
Anti-Bribery and Corruption Policy	The Anti-Bribery and Corruption Policy outlines our commitment to operating our supply chain, business activities and business relationships in a professional and fair manner and Michael Hill's expectations of all personnel in observing and upholding Michael Hill's position against bribery and corruption.
Anti-Money Laundering and Countering Terrorism Financing Policy	The Anti-Money Laundering and Countering Terrorism Financing Policy articulates Michael Hill's commitment to conducting all business operations in an honest and ethical manner and outlines the expectations of Michael Hill employees for preventing, deterring, detecting and reporting money laundering and terrorist financing activities.
Diversity & Inclusion Policy	The Diversity & Inclusion Policy is governed by a dedicated steering committee. This policy outlines Michael Hill's commitment to fostering a diverse and inclusive workplace and includes requirements for the Board to establish measurable objectives for achieving diversity and to review annually the objectives and Michael Hill's progress.

POLICY / RESOURCE	PURPOSE
<p>Work, Health, Safety & Security Policy</p>	<p>The Work, Health, Safety & Security Policy aims to remove or reduce the risks to the health, safety and welfare of all team members and workplace participants, and anyone else who may be affected by Michael Hill's business operations and aims to ensure all work activities are performed safely.</p>
<p>Respect at Work Policy</p>	<p>The Respect at Work Policy outlines Michael Hill's expectations that all team members must treat everyone with respect when at work and includes Michael Hill's Equal Employment Opportunity, Bullying and Harassment policies.</p>

SUPPLIER DUE DILIGENCE

In FY20, Michael Hill launched its Supply Chain Transparency Platform (using a third-party platform provider). This platform gathers information regarding the operational and procurement practices of direct suppliers via our online Ethical Supply Chain Questionnaire. The questionnaire is an in-depth assessment of suppliers and their operations and was designed in line with the RJC's Code of Practices. The information gathered is assessed to provide an overall risk rating for each participating supplier. Where a supplier has an overall risk rating of high, additional work is completed to further assess the associated risk of modern slavery. This may include additional analysis of a supplier's policies and processes, and/or an on-site audit of the supplier's operations and facilities conducted by a qualified independent third-party.

This questionnaire was uplifted for the FY22 reporting period, along with the risk matrix covering coloured gemstones and countries they originate in, to better understand our risk areas relating to product transparency and traceability, which aligns with our sustainability and ESG strategy.

HOW WE ASSESS THE EFFECTIVENESS OF OUR ACTIONS

We are focused on continual improvement and understand the importance of assessing the effectiveness of our actions.

Through our Group Executive and Audit & Risk Management Committee, and indirectly through our Sustainability Steering Committee and quarterly business review processes, we monitor modern slavery risk and actions to remediate. This monitoring takes many forms, including the output from our supplier transparency platform, supplier visits and audits, and responding to matters arising from our whistleblowing platforms.

Other activities contributing to assessing the effectiveness of our actions have included:

WHISTLEBLOWER AND GRIEVANCE MECHANISMS:

Review of the Group's whistleblower reporting channels and grievance mechanisms. Michael Hill performs reviews of whistleblower matters and reports outcomes quarterly to the Audit & Risk Management Committee. No grievances or whistleblower cases have been raised from team members, suppliers or customers with allegations of slavery-like conditions.

RISK MANAGEMENT: Our entity-level and Group risk workshops assessed Michael Hill's exposure to and risk of modern slavery practices within the Group's operations and supply chain. Michael Hill has no appetite for risks that impact employee rights or are associated with any practices contrary to modern slavery principles. The risk profile of suppliers on Michael Hill's Supplier Transparency platform is within Michael Hill's risk appetite.

RESPONSIBLE SUPPLIERS: Continuing to only engage with RJC accredited suppliers or suppliers who demonstrate responsible sourcing. Escalation to appropriate governing committees (Audit & Risk Management Committee, Sustainability Steering Committee) or through our ongoing supplier monitoring processes to escalate suppliers who do not meet our requirements.

TRAINING: In FY23, modern slavery training was rolled out to all employees who manage contracts or relationships with suppliers or are employees in key procurement and buying roles with the purpose of building capability within the business for understanding modern slavery. This enables Michael Hill team members to better implement our policies and requirements and identify risks in their roles related to modern slavery. In addition, all employees are required to complete annual mandatory training on key policies and compliance areas, including in the areas covered by the highlighted policies.

MONITORING OF SUPPLIER PERFORMANCE: Performed through the Quarterly Business Review processes and supplier audits where we check for modern slavery exposures and monitor progress on remediation actions put in place to address modern slavery risks.



PROGRESS MADE IN FY23

FY23 has seen the execution of several of our program initiatives, moving from planning to operating. Externally uplifting the number of suppliers on our supplier platform, including the performance of on-site audits in high risk locations. Internally uplifting capability and awareness in the business by launching modern slavery training and strengthening several key governance, procurement and contractual documents for anti-slavery requirements.

The scale and nature of modern slavery demands ongoing vigilance as our business expands and our sustainability strategy gains further momentum.

OBJECTIVE	COMMENTS
Restarting the regularity of supplier visits to high-risk production facilities.	A total of 30 management visits to jewellery suppliers and other vendor factories across India, China, Myanmar and Hong Kong were completed in FY23. There were also six independent audits performed by Bureau Veritas of high risk locations including Myanmar, China, Vietnam and El Salvador.
Assess high risk suppliers for audits to be completed and developing and managing remediation plans with supplier or cease supplier engagement.	Remediation site audits are scheduled for four of the six factories independently audited, where major findings relating primarily to health and safety and social and labour non-conformances were identified. <i>Refer below for results from factory audits performed.</i>
RJC recertification - includes improving compliance with COP 6 Human Rights in line with UN Guiding Principles on Business and Human Rights.	Michael Hill has achieved a three-year certification renewal, effective for the period February 2022 - February 2025. This certification includes improving Michael Hill's compliance with COP 6 Human Rights in line with UN Guiding Principles on Business and Human Rights.
Onboarding more suppliers onto the Supplier Transparency Platform. The focus will be on cleaning, security and repair suppliers with an aim for all suppliers to be monitored.	We have remained focused on uplifting the coverage of suppliers on Michael Hill's Supplier Transparency Platform. This included onboarding suppliers beyond the inventory supply chain and diversifying across non-stock spend categories. Focusing on industries that were human services centric and were a higher risk to modern slavery. <i>Refer below for results for supplier coverage performed.</i>
Modern slavery training for all Michael Hill team members, an acceleration of FY25+ target.	A group modern slavery e-learning training module was developed. This was released in June 2023 to group executives, their direct reports, senior leaders and those with procurement responsibilities. The scope of training explains modern slavery, our obligations under the Modern Slavery Act 2018 and the roles and responsibilities of team members in the supplier onboarding and contracting processes. This training roll out is an acceleration of our FY25+ target.
Validating supplier certifications and memberships to confirm commitment to social and environmental performance.	Supplier certifications and memberships are validated through our Quarterly Business Review processes with jewellery suppliers, ongoing review of the modern slavery platform and RJC audits.
Revise contract terms and conditions for anti-slavery requirements.	Revised contract terms across contract templates for anti-slavery requirements.
Revise Supplier Code of Conduct and Ethics for anti-slavery requirements.	Revised Supplier Code of Conduct and Ethics for anti-slavery requirements.
Develop Modern Slavery Compliance Checklist.	Modern Slavery Compliance Checklist was developed in an electronic format for inhouse Michael Hill team members visiting supplier factories to perform compliance checks on key modern slavery risk areas.

OBJECTIVE	COMMENTS
CONTINUE IN FY24	
Establish formal committee for ongoing responsible sourcing practices (i.e. Procurement Committee)	This is partially achieved through Michael Hill's Sustainability Steering Committee, ongoing quarterly business review processes and Michael Hill's Audit & Risk Management Committee. This will remain a focus in FY24.
All jewellery suppliers meet 'responsibly sourced' standards.	Currently 81% of our jewellery suppliers are RJC certified or are on the journey to becoming certified (i.e. RJC member), or source responsibly through other responsible sourcing standards (e.g. LBMA, RMI, DMCC, SCS).

RESTARTING THE REGULARITY OF SUPPLIER VISITS TO HIGH-RISK SUPPLIERS:

Following the reopening of borders and travel post Covid-19, we have sought to visit our key supplier locations. This year a total of six independent supplier site audits were performed by Bureau Veritas focused on packaging, visual merchandise and technology services suppliers. Thirty management factory visits were also performed by Michael Hill's management team primarily focused on jewellery supplier factories. Management factory visits include a site walkthrough, and visual inspection of key health, safety and environment areas and observation of general working labour conditions. No substantive procedures or review of process documentation is performed.

Although no instances of modern slavery have been identified during the site audits performed, serious breaches of legislative requirements and regulatory standards were identified, that if left unchecked could transpire into modern slavery.

Independent Audits:

The scope of work includes social audits, tailored to the assessment criteria and methodology aligned with the requirements of the Modern Slavery Act. This consists of desktop review of relevant documentation, facility tours, interviews with relevant personnel and on-site documents and records review (policies, procedures, processes and payroll data). The audits were of suppliers of packaging, visual merchandising products and technology services operating in higher risk locations in China, El Salvador, Myanmar and Vietnam. There were 52 major non-conformances across the factories audited and remediation action plans are in place.

Further on-site remediation audits will be performed to validate the effectiveness and closure of the major non-conformances. We acknowledge the seriousness of these breaches and will continue to engage with our suppliers to not only remediate but elevate the standards through strengthened policies, procedures and working practices.

One site (El Salvador) has proactively addressed issues ahead of the scheduled remediation site visit related to health and safety issues. The Vietnam supplier was a new proposed vendor that Michael Hill wished to engage with given their work with other large technology providers. Based on the limited transparency into their processes with restrictions to payroll records, Michael Hill has not progressed with this supplier and has assisted them with planning remediation of key processes.

Total Major Non-Conformances Per Country



LEGEND:

Major Non-Conformance: Non-compliance with applicable legislative requirements and regulatory standards. High risk of incident and imminent likelihood to cause direct harm to a person or the environment, or an incident resulting in direct harm to persons or the environment.

Minor Non-Conformance: Non-compliance with applicable organisational expectations (e.g. policy/procedures) and a risk of incident with a low likelihood to cause direct harm to a person or the environment relating to the criteria item.

Social and Labour Non-Compliances:

The most predominant human rights issues by country are outlined in the graphs alongside.

Child labour practices were prevalent in Vietnam and were primarily in relation to restrictions on the vendor to provide adequate records to verify compliance with minimum legal working age and personnel records excluding date of birth information. However, the risk of an underage worker being present on site is reduced due to the workforce being highly skilled and a low-risk industry. Similarly, restrictions to population payroll data in Vietnam could not validate remuneration data, including whether legal minimum age was paid, all employees pay slips were provided in local language and compliance with employee entitlements and overtime in excess of legal requirements.

Working hours was a common issue across Vietnam, Myanmar and China. In Vietnam, this related to the inability to validate entitlements such as days off (i.e. two days off per week) and whether annual leave was appropriately provided. In Myanmar, this related to an absence of mechanisms to monitor working hours including overtime, as there was no recording of time in

and out. Furthermore, the facility did not provide a rest break after finishing normal working hours if the factory needs to perform overtime. In China, employees worked in excess of the statutory overtime hours and standard hours per week.

Remuneration issues in Myanmar included threats to deduct wages from workers as part of disciplinary procedures and in El Salvador pertained to compliance with payment of minimum monthly salaries.

Health and Safety Non-Compliances:

Availability and use of personal protective equipment was the most prevalent safety major non-conformances identified. Remediated actions were identified for factories where several accidents causing absence from work had occurred.

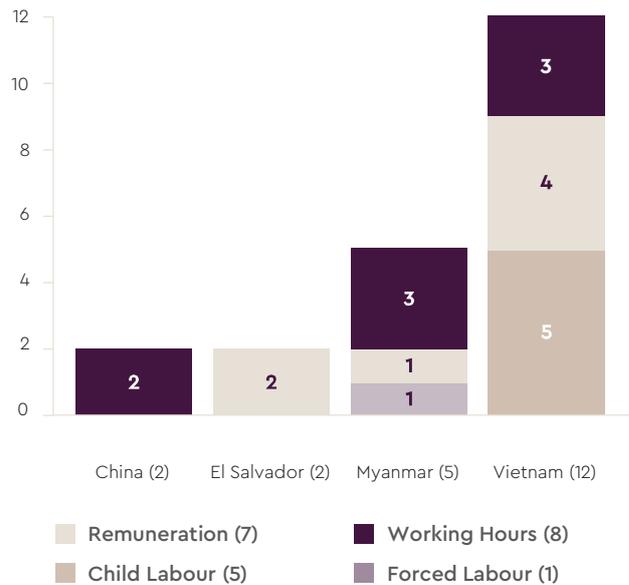
Emergency and fire safety examples related to not conducting emergency evacuation drills annually, no periodic testing of fire alarms, no written procedure on emergency evacuation and no installation of safety exit signs in production areas.

Management Visits:

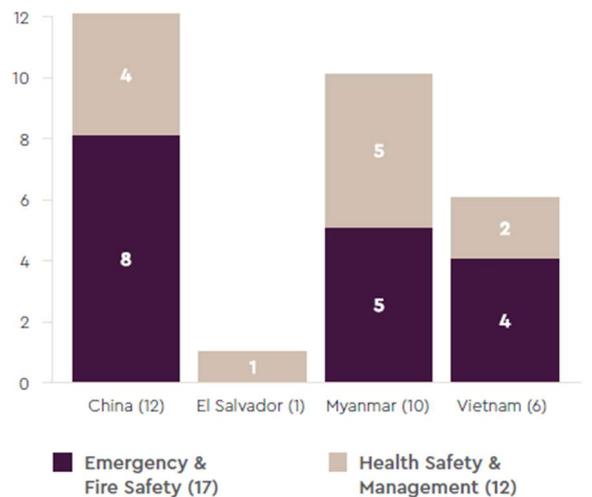
Michael Hill staff performed 30 factory visits primarily across jewellery suppliers in India and Hong Kong, and additional visits to China and Myanmar for packaging and merchandising vendors.

Only one jewellery supplier had safety non-conformances relating to inappropriate personal protective equipment, unrestricted access to chemicals, poor air circulation and electrical outlets requiring servicing. A subsequent on-site visit confirmed effective remediation.

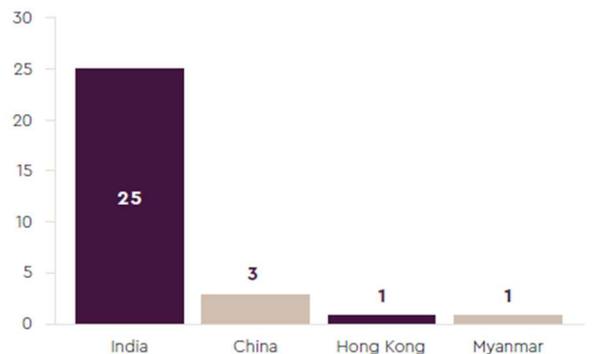
Major Social and Labour Non-Conformances Per Country



Major Health and Safety Non-Conformances Per Country



Management Site Visits



Onboarding more suppliers onto the Supplier Transparency Platform:

The coverage of suppliers on Michael Hill's Supplier Transparency Platform has increased by 122 suppliers. This included onboarding suppliers beyond the inventory supply chain and focusing on human intensive activities and services which have a higher risk of modern slavery.

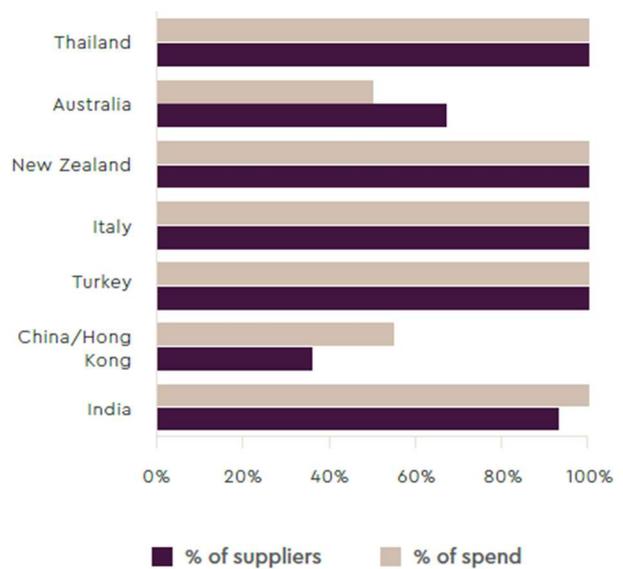
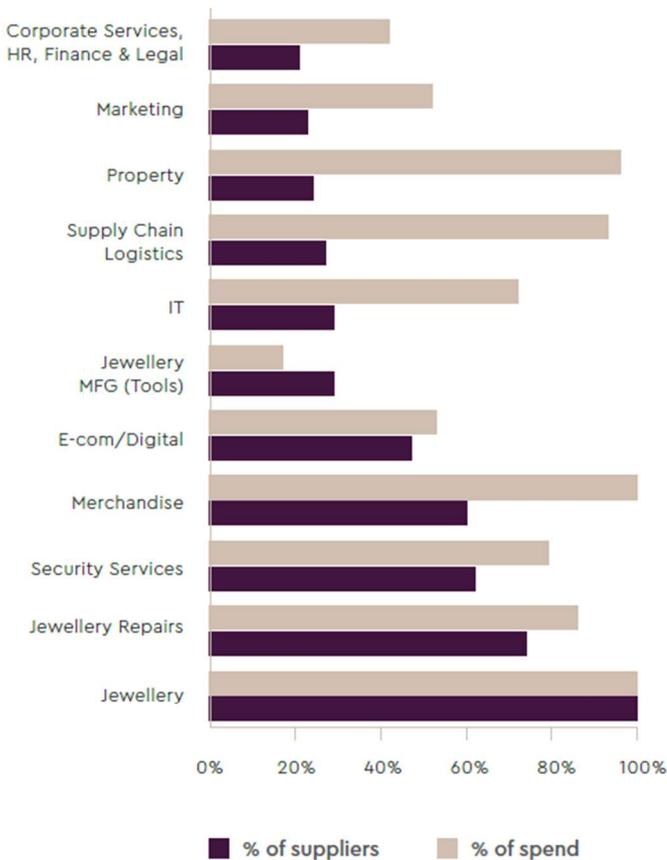
At the time of reporting, there are 192 suppliers on the Supplier Transparency Platform, representing approximately 20% of Michael Hill's supplier base and 70% of total spend (total spend of \$427m in FY23). The graph below illustrates coverage across each spend category and more heavily skewed towards sectors with higher risk.

RJC and responsibly sourced suppliers contribute to Michael Hill's total jewellery spend:

All **64 of our jewellery suppliers** are on the Supplier Transparency Platform and have provided details on the management of their sourcing and modern slavery processes.

Michael Hill is on track to achieve the target (per the 2030 Sustainability Goals and Vision) to have 100% of our jewellery suppliers responsibly source by FY24. The majority of our jewellery suppliers (81%)¹ are RJC certified, on the journey to becoming RJC certified (i.e. RJC member) or responsibly source through recognised responsible sourcing bodies (i.e. LBMA, DMCC, RMI). By working with suppliers who are certified members of the RJC and responsibly source, Michael Hill reduces the risk of unethical business practices existing in its supply chain and suppliers comply with responsible ethical, human rights, social and environmental practices throughout the diamond, gold and platinum group metals jewellery supply chain.

The graph below illustrates progress of our goal and countries of focus.



¹ 71% was reported in the Annual Report, this has been revised to remove discontinued suppliers, who did not hold appropriate supplier certifications.

APPENDIX

This Modern Slavery Statement was prepared in accordance with the mandatory criteria and report requirements outlined in the Canadian Act (Fighting Against Forced Labour and Child Labour in Supply Chains Act). The table below outlines where information related to each of the mandatory reporting criteria can be found within the Modern Slavery Statement.

CANADIAN MODERN SLAVERY ACT - MANDATORY CRITERIA	REFERENCE IN THIS STATEMENT
	Page Number
The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.	14-18
Describe the reporting entity's structure, activities and supply chains.	5-11
Its policies and due diligence processes in relation to forced and child labour.	17-18
The parts of our business and supply chains that carry a risk of forced labour or child labour being used and steps it has taken to assess and manage the risk.	10-12
Any measures taken to remediate any forced labour or child labour.	13-22
Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.	n/a
The training provided to employees on forced labour and child labour.	19
How the entity assesses the effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.	13-22



“As a Group, we recognise the severity of this global issue, and fully support solutions to strengthen and protect human rights and eradicate modern slavery”

ROB FYFE, CHAIR

michael hill.
INTERNATIONAL LIMITED