



LOVISA HOLDINGS LIMITED

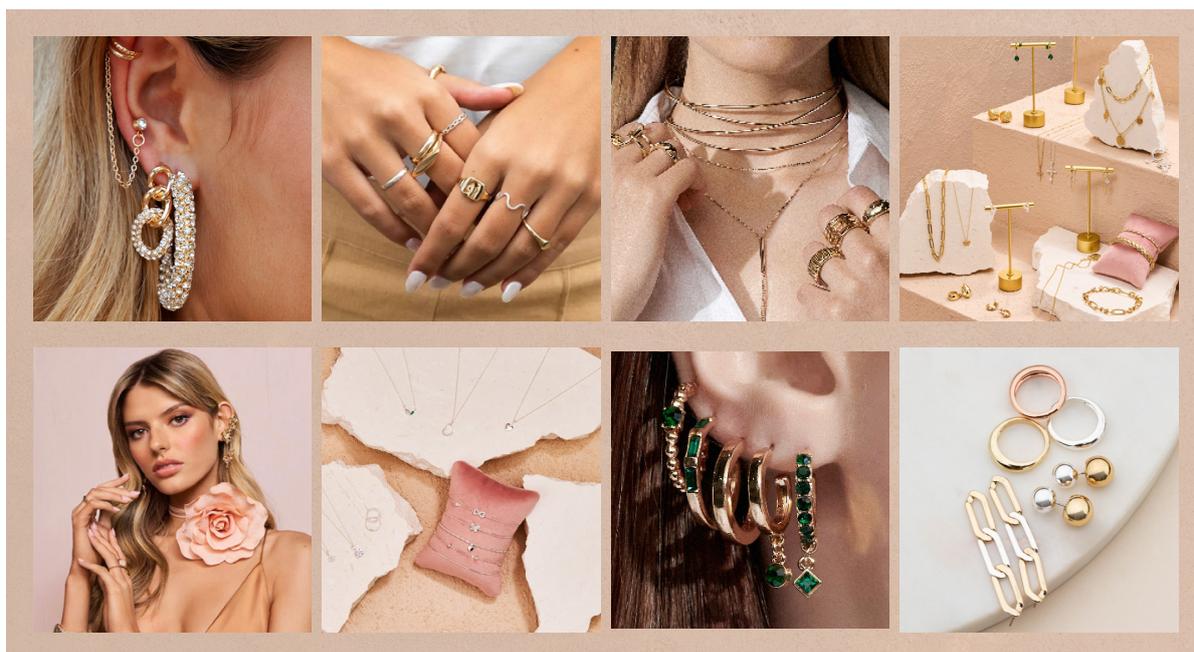
MODERN SLAVERY STATEMENT FY2023



CONTENTS

Introduction	03
Our Business	04
Our Supply Chain	05
Identified Risks In Supply Chain & Operations	06
Our Approach To Managing Risks	08
Assessing The Effectiveness Of Our Actions	10
Governance	11
Appendix A: List of Lovisa Group Subsidiaries	12

P/2



This statement was prepared by the reporting entity Lovisa Holdings Limited ('Lovisa', 'the Company') (ACN:602 304 503). Lovisa is an Australian public company listed on the Australian Securities Exchange (ASX code: LOV). The Company's registered office and principal place of business is Level 1, 818 Glenferrie Road, Hawthorn, Victoria, Australia.

This statement has been prepared in accordance with the Modern Slavery Act (Cth) 2018 ('the Act') and outlines the actions taken by Lovisa to identify, assess, and address modern slavery risks across our operations and supply chain for the financial year ended June 2023.

Lovisa Holdings Limited makes this single joint Statement on behalf of all reporting entities in the Lovisa Group and all other owned and controlled entities, who were consulted in the development of this statement. A list of all subsidiaries is included in Appendix A. In addition to Lovisa Holdings Limited, Lovisa Australia Pty Ltd and Lovisa Pty Ltd are also considered reporting entities under the Act.

INTRODUCTION



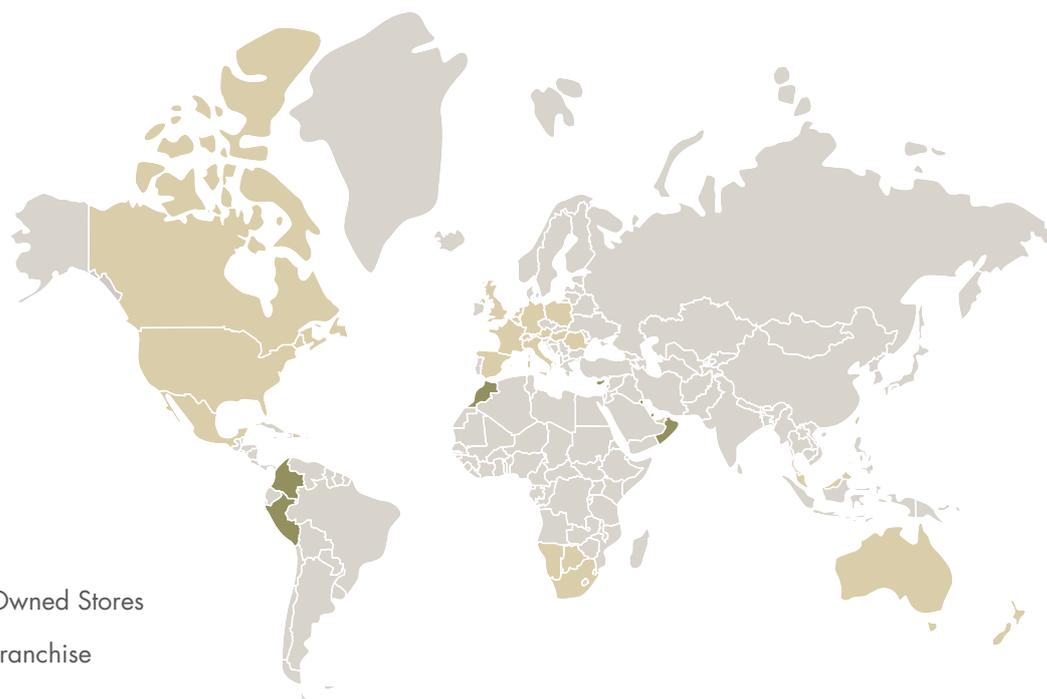
P/3

This statement, pursuant to the Modern Slavery Act 2018, details the risks of modern slavery in the operations and supply chains of Lovisa Holdings Limited. This statement includes information about our actions & progress to address these risks for the financial year ended June 2023.

At Lovisa, we remain committed to pursuing an effective approach to ethical and responsible risk management, with a framework to support us in achieving high standards of corporate governance and safeguarding our business operations and our global supply chain against the risks of Modern Slavery. As we continue to expand our stores, we recognize the need to support our core supply base in mainland China. We have, for that reason, continued to expand our support team in Shenzhen, with the addition of a procurement team and Product Compliance Manager. As well as being able to regularly audit new and current suppliers, the team can work directly with our suppliers discussing production timelines and supporting them with crucial health and safety initiatives they have implemented across their businesses.

We have an opportunity to further enhance our commitment by regularly updating our compliance and supplier manual using a new online portal, allowing suppliers to easily access updates to our manuals and protocols at any time. Launching in FY24 we will also use this to manage audit reports.

OUR BUSINESS



KEY

- Owned Stores
- Franchise

Established in 2010, listed on the stock exchange in 2014 and trading from 807 stores in 39 countries as of June 2023. "Lovisa was born from a desire to fill the void for fashion forward and directional jewellery that is brilliantly affordable."

In 2023, we continued to expand the business globally with 172 new stores opened for the financial year, including 60 in Europe, 78 in the USA and our latest openings in Namibia, Botswana and Mexico. In line with this expansion, we continued to expand our support centre in both Poland and the USA and opened a Lovisa-owned distribution centre based in Wroclaw, Poland. Our new distribution facility will ensure efficient distribution to both our Europe & United Kingdom stores as well as for Lovisa customers purchasing from our digital store.

P/4

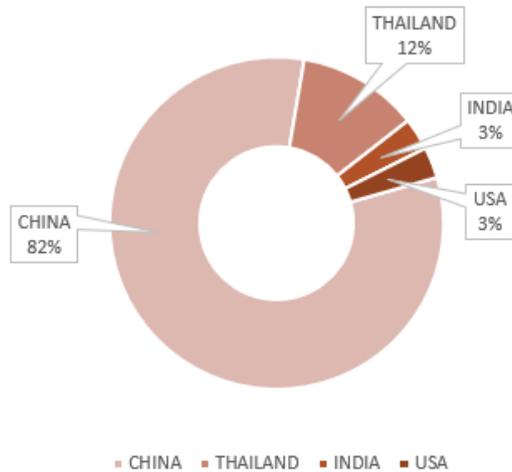
STORE NUMBERS

Owned		FY23	FY22	Owned		FY23	FY22
Aus/NZ	Australia	168	154	Asia	Singapore	16	17
	New Zealand	27	25		Malaysia	41	32
Americas	USA	190	118		Hong Kong	8	-
	Canada	7	1	Taiwan	1	-	
	Mexico	4	-	Africa	South Africa	75	69
Europe/UK	UK	44	42		Botswana	1	-
	France	68	59		Namibia	2	-
	Germany	47	40		Total Owned		765
	Belgium	11	11	Franchise		FY23	FY22
	Switzerland	9	6	Middle East	28	44	
	Netherlands	7	5	South America	6	-	
	Austria	7	3	Africa	2	-	
	Luxembourg	2	2	Total Franchise		36	44
	Poland	18	1	TOTAL STORES		801	629
	Spain	1	-	Employees Worldwide		Over 5000	
	Hungary	2	-	Total Stores		801	
	Romania	1	-	Warehouses & 3PL's		4 DC's + 3 3PL's	
	Italy	7	-				
Middle East	UAE	1	-				

OUR SUPPLY CHAIN

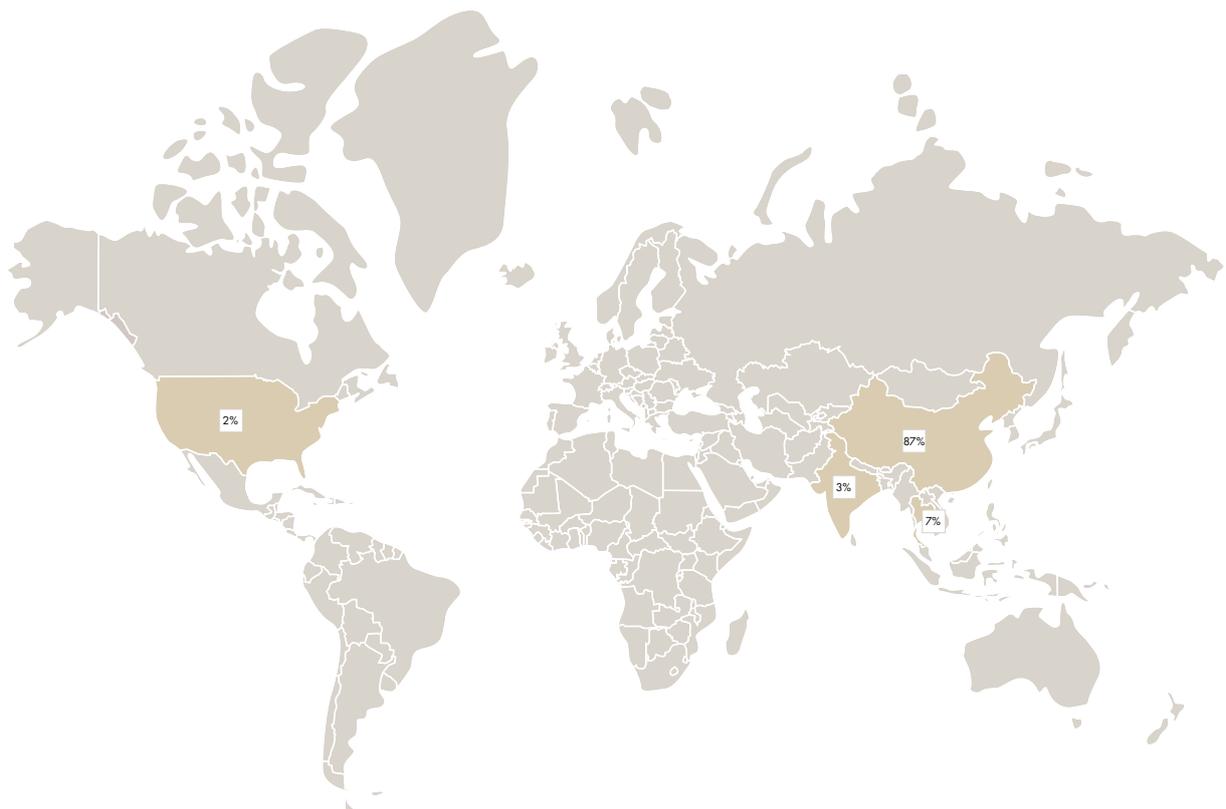
We design, source, and deliver a diverse range of jewellery products to our 801 stores in 39 countries. In 2023, our supplier base comprised of 85 factories in 4 production countries. Of the current supplier base, 66 factories contribute to 80% of the value of goods delivered to our stores. These 66 factories represent 79% of our total active factories.

LOVISA SUPPLIER BASE
% VALUE CONTRIBUTION



We maintain long-term relationships with our suppliers, with 50% of them continuing to work with us for more than 10 years. We believe that long-term relationships with suppliers can enhance performance along the supply chain.

We obtain Ethical, Social and Health & Safety Audit SMETA / BSCI reports annually from 92% of our current supplier base, with the remaining 8% committed to submit their reports in FY 2024. 100% of the reports passed Lovisa compliance standards. Of the remaining 8%, we work closely with these suppliers to ensure up to date reports are submitted. We proactively discuss remediation measures with factories where required, as we continuously aim to improve their performance and provide high standards of safe and fair workplaces for all workers in the supply chain.



IDENTIFIED RISKS IN SUPPLY CHAIN & OPERATIONS

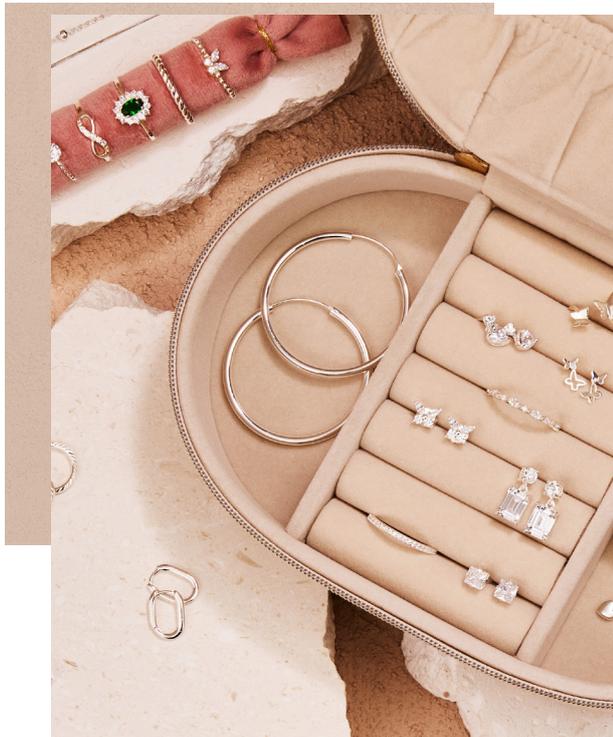
RISK RATING

Table 1 below provides a summary of the inherent risk rating identified in our supply chain, based on the audit reports that we have obtained in relation to 92% of our supplier base. The overall inherent risk has not changed year-on-year; India remains at 3% of our mix with the highest risk, and Thailand supply has increased to 12% , presenting no additional risk. With the expansion of our Shenzhen support team, we have a dedicated team to support our supplier network and monitor any risk factors.

MERCHANDISE SUPPLIERS

COUNTRY	INHERENT RISK	MODERN SLAVERY RISKS IDENTIFIED	PRIORITY
CHINA	MEDIUM	Inherent risks of modern slavery are present in the jewellery manufacturing sector. Most of the suppliers in China generally have a mature understanding of requirements and standards of ethical supply chains and have established transparency with their occupational health & safety and ethical audit reports and certifications.	MEDIUM: perform further due diligence in the next 12-24 months
THAILAND	MEDIUM	Inherent risks of modern slavery are present in the jewellery manufacturing sector. Thailand is more vulnerable to risk factors within their operations.	MEDIUM: perform further due diligence in the next 12-24 months
INDIA	HIGH	Inherent risks of modern slavery are present in the jewellery manufacturing sector. India is more vulnerable to risk factors and lacks transparency with their operations.	HIGH: perform immediate further due diligence
USA	LOW	Inherent risk of modern slavery are present in the jewellery manufacturing sector. Our single supplier in USA generally has a mature understanding of requirements and standards of ethical supply chains.	LOW: continue with current approach to supplier monitoring

P/6



OTHER SUPPLIERS

Outside our supply chain, our operations comprise mostly of our office employees in Australia, Poland, USA, South Africa, China & the UK.

Our employment framework complies with the requirements of the laws of each jurisdiction in which we operate. Many of our employees are employed under employment Awards. Our employees are governed by a sound policy framework that governs our corporate behaviour.

For these reasons, we consider the risk of modern slavery in our operations to be low.

OPERATION BASE	INHERENT RISK	MODERN SLAVERY RISKS IDENTIFIED	PRIORITY
SUPPORT OFFICE	LOW	Limited risk factors identified. We have developed a comprehensive recruitment and employee on-boarding process in line and compliant with Australian workers’ rights and safe workplace regulations, compliant with the countries where we operate.	LOW: perform further assessment of risks before planning further due diligence
GLOBAL OFFICES	LOW	Limited risk factors identified. We have developed a comprehensive recruitment and employee on-boarding process in line and compliant with workers’ rights and safe workplace regulations, compliant with the countries where we operate.	LOW: perform further assessment of risks before planning further due diligence
LOGISTICS & WAREHOUSES	MEDIUM	Inherent risks of modern slavery are identified with logistics functions such as transport, warehousing, and distribution activities across the world. These originate from use of labour hire services, including migrant and low-skilled workers.	MEDIUM: perform further due diligence in the next 12-24 months
STORE OPERATIONS	MEDIUM	Inherent risk of modern slavery is associated with migrant and vulnerable workers linked with hire services.	MEDIUM: perform further due diligence in the next 12-24 months

P/7



OUR APPROACH TO MANAGING RISKS

Since the submission of our FY22 Modern Slavery Statement, we have undertaken additional steps towards addressing modern slavery risks in our operations and our supply chain.

Continuing with our 3 Key Approaches outlined in our FY22 Statement, the actions that we have taken are as follows:

KEY APPROACH 1: GROWTH OF SUPPORT TEAM IN SHENZHEN

Acknowledging the modern slavery risks that exist in our industry we implemented a support team in Shenzhen in May 2022, to adequately support our core supply base and internal teams. This has continued to expand throughout 2023 to further support our supply chain and buying team. With travel resuming to mainland China we will resume frequent visits to our suppliers from our global buying teams.

INTERNAL ASSESSMENTS

Our Product Compliance Manager, Global Sourcing Manager & Business Development Manager conduct internal assessments with current and new suppliers in the China region.

This dedicated team offer support and guidance on issues that arise & can efficiently audit suppliers where required. As modern slavery risks continue to evolve, we can now react and engage with our supplier base with efficiency and in local language.

We continue to engage our Quality Control offices in Qingdao and Shenzhen, China, which comprise 82% of our production, to be our eyes and ears on the ground, in particular by conducting surprise visits to provide insight into any potential risks of the specific supplier operations.

EXTERNAL ASSESSMENTS

Lovisa continued to utilize reputable and independent audit agencies to evaluate inherent risks per supplier. Suppliers are required to conduct on-site third-party risk assessment and audits:

- For new suppliers, audits have been conducted or certified in the last 12 months.
- For existing suppliers, follow a 2-year audit cycle and submit reports prior to expiry date of previous audit.

The audit formats that are approved and preferred by Lovisa are:

1. SEDEX (SMETA)
2. BSCI (Business Social Compliance Initiative)

Following both external and internal risk assessments, suppliers are assigned a risk rating of High, Medium, or Low. Suppliers with High rating may be required to undergo further investigations and/or audits to support ongoing review of risk. If a supplier refuses to remediate compliance issues, we reserve the right to cease engagement with that supplier.

KEY APPROACH 2: RISK MITIGATION STRATEGIES & PROCEDURES

The core of our responsible and ethical sourcing policies is premised on upholding human and labour rights throughout our supply chain and operations.

1. SUPPLIER CODE OF CONDUCT

We have initiated a Supplier Code of Conduct to address the modern slavery risks in our supply chain and operations. This will promote learning and awareness within the business and build stronger relationships with our suppliers enabling them to engage with our risk mitigation procedures. The 4 main compliance guidelines will be:

1. Ethical Sourcing & Social Compliance
2. Building & Safety Compliance
3. Environmental & Sustainability Resilience
4. Business Transparency & Ethics

We will be onboarding all suppliers with our Supplier Code of Conduct in the financial year 2024. This will be made available to all suppliers in multiple languages (English, Mandarin, Cantonese, Hindi, Thai).

Suppliers must sign this code committing to adhere to each of the 4 compliance guidelines above as a condition of trade with Lovisa.

2. DIALOGUE & TRAINING

Our Buying & Production team in collaboration with our Shenzhen support team review supplier compliance operations, in partnership with third-party audit firms. Audits are reviewed regularly, any concerns result in dialogue & training with suppliers to better understand how to implement effective practices, these learnings will continue with the support of our Shenzhen team.

Internal training across the company is crucial to drive effective corporate practices to mitigate modern slavery, our internal teams are reminded of these risks regularly via training sessions & visibility of audit results

3. ETHICAL, SOCIAL, SAFETY & COMPLIANCE AUDITS

The scale and complexity of the challenge of ending modern slavery requires proactive action and collaboration among stakeholders including governments, international organizations, civil society, and the private sector. We continue to work with Intertek (ITS), a trusted professional certification body with global presence, as our preferred agency to undertake appropriate ethical, social, safety and compliance third party audits.

OUR APPROACH TO MANAGING RISKS

Suppliers receive a rating on several set criteria that include metrics around ethical, social, safety, environmental, and sustainability practices. Based on the assigned supplier risk rating, they undergo the below audit frequency and format:

LOW – 24 month validity; SMETA 2 Pillar

MEDIUM – 24 month validity + spot checks at Lovisa's discretion; SMETA 2 Pillar

HIGH – 12 month validity + spot checks at Lovisa's discretion; SMETA 4 Pillar

All supplier audits are monitored by the Global Sourcing team in Shenzhen, reviewed and submitted with recommendations and actions. Thus far we have received reports from 92% of our supplier base, with 100% pass rate on those received. We continue to work with the 8% who are currently undergoing audits and/or undertaking remediation actions based on audit findings.

We regularly review these audit findings and speak with suppliers to drive continuous improvement. Any supplier who refuses to supply auditing will be reviewed and potentially disengaged from the business.

All new suppliers must submit a full audit report for assessment before being on-boarded into the business. Failure to comply or if these reports are not favourable, will mean these suppliers are not on-boarded unless they can fix any inherent risks.

KEY APPROACH 3: DUE DILIGENCE & REMEDIATION PROCESSES

We regularly review our monitoring processes to build a more efficient and effective set of due diligence processes in our supply chain.

In addition to engaging the expertise of a reputable and professional certification body, we have our Compliance/Sourcing/QC team in Shenzhen, and QC team in Qingdao, China where 82% of our suppliers are based.

Our teams in China enable us to verify the findings of third-party audit firms. They also help us to communicate in the local language, the corrective actions that suppliers need to implement.

Now that border closures with mainland China have been lifted we have resumed factory visits from our global support centres. These visits aid Lovisa in building stronger relationships and enhancing our monitoring systems. These will be conducted both by our Buying and Production teams.

REMEDIATION PROGRAM

At the core of our remediation program is our commitment to provide support to our supply chain to undertake corrective measures where modern slavery risks are identified. When non-compliances are identified through audits, we will discuss with the identified factory the measures required to be developed for a corrective action plan that is focused on prevention. The factory will then undertake a further audit to ensure that formal remediation actions are taken, and compliance is reported by the third-party audit firm.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

ACTIONS	ACTIONS	2023 KPIs ACHIEVED	2024 KPIs	TIMELINE
FORMAL POLICY SETTING	Updated suppliers compliance manual issued	Under supplier compliance manuals issued June 2022	Further enhance compliance manual in line with new markets entered	June-23
FORMAL POLICY SETTING	We will provide an online compliance and supplier portal, allowing suppliers to access updates to manuals and protocols at anytime. This will also be used to manage audit reports			Jan-24
FORMAL POLICY SETTING	We will provide a supplier Code of Conduct, supported by a supplier agreement, with provisions on our expectations of ethical, social, safety, environmental and sustainability practices designed to eradicate Modern Slavery Risks in our supply chain			June-24
DIALOGUE & TRAINING	<p>The production team, coordinating directly with our suppliers, oversee overall supplier compliance operations in partnership with third-party audit firms. Dialogue, training and learning initiated with the buying and production teams to understand how to/ implement effective supplier on-boarding and risk assessment best practices.</p> <p>Internal training in Australia Support Centre is initiated through departmental orientations and dialogues designed to raise employee awareness on modern slavery.</p>	<p>50% Departmental Training in the Support Centre</p> <p>Initiated proactive discussion of remediation measures with suppliers</p>	<p>100% Training across all teams in the Support Centre</p> <p>100% Training across global offices</p>	Ongoing
TARGETED DUE DILIGENCE IN HIGHER RISK SUPPLY CHAINS	Based on our internal and external risk assessments, suppliers classified with a higher risk rating, undergo a 12 month validity and SMETA 4 Pillar audit and spot checks at Lovisa's discretion	92% Confirmation compliance based on SMETA reports from third-party audit firms	<p>Improve risk assessment measures through effective data</p> <p>100% Compliance SMETA reports</p> <p>Disengage consistent non-compliant suppliers</p>	Ongoing
GOOD GOVERNANCE THROUGH MONITORING SYSTEMS & REMEDIATION PLANS	As required, detailed remediation plans and best practice expectations are discussed with suppliers, customised to audit findings of third-party firms	<p>Initiated timeline and formats for audits customised to supplier risk rating</p> <p>Engaged China office teams to corroborate audit report results</p>	<p>Increased spot checks on suppliers classified with a higher risk rating.</p> <p>Increased dialogue with suppliers on effective remediations of non-compliance issues</p>	Ongoing

GOVERNANCE

This disclosure statement is published pursuant to the Australian Commonwealth Modern Slavery Act 2018.

The statement is fully supported and approved by our Board of Directors and signed by our Chief Executive Officer, Victor Herrero.

This statement was approved by the Lovisa Board of Directors on 29/12/2023.



Victor Herrero
Chief Executive Officer



APPENDIX A: LIST OF LOVISA GROUP SUBSIDIARIES

LIST OF SUBSIDIARIES

Set out below is a list of subsidiaries of the group. All subsidiaries are wholly owned, unless otherwise stated.

Name	Principal place of business
Lovisa Australia Pty Ltd	Australia
Lovisa Pty Ltd	Australia
Lovisa Employee Share Plan Pty Ltd	Australia
Lovisa International Pte Ltd	Singapore
Lovisa Singapore Pte Ltd	Singapore
Lovisa Accessories Pty Ltd	South Africa
DCK Jewellery South Africa (Pty) Ltd	South Africa
Lovisa New Zealand Pty Ltd	New Zealand
Lovisa Malaysia Sdn Bhd	Malaysia
Lovisa UK Ltd	United Kingdom
Lovisa Global Pte Ltd	Singapore
Lovisa Complementos España SL	Spain
Lovisa America, LLC	United States of America
Lovisa France SARL	France
Lovisa Hong Kong Ltd	Hong Kong
Lovisa Germany GmbH	Germany
Lovisa Retail Germany GmbH	Germany
Lovisa Austria GmbH	Austria
Lovisa Belgium BV	Belgium
Lovisa Netherlands BV	Netherlands
Lovisa Switzerland AG	Switzerland
Lovisa Retail France SARL	France
Lovisa Luxembourg SARL	Luxembourg
Lovisa Canada Ltd	Canada
Lovisa Poland sp. Z o.o.	Poland
Lovisa Retail Mexico S.A. DE C.V.	Mexico
Lovisa Retail Namibia (Pty) Ltd	Namibia
Lovisa Italy S.R.L.	Italy
Lovisa Hungary Kft. (i)	Hungary
Lovisa Portugal, Unipessoal LDA (i)	Portugal
Lovisa Retail S.R.L. (i)	Romania
Lovisa Ireland Limited (i)	Ireland
Lovisa Taiwan Limited (i)	Taiwan
Lovisa (Shenzhen) Retail Company Ltd (i)	China
Lovisa Macau Limited (i)	Macau
Lovisa Botswana Proprietary Limited (i)	Botswana
Lovisa Fashion Accessories L.L.C. (i)	United Arab Emirates
Lovisa Vietnam Company Limited (i)	Vietnam

(i) This entity was incorporated during the year.

LOVISA



LOVISA

Lovisa Holdings Limited
Level 1, 818-820 Glenferrie Road
Hawthorn VIC 3122
+61 3 7042 6440

www.lovisa.com