

MODERN
SLAVERY
STATEMENT
2024

MICHAEL HILL

INTERNATIONAL LIMITED



DISCLAIMER: 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 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, the term “Group” or “Michael Hill Group” refer to the Company and its subsidiaries (as appropriate), and the use of “Michael Hill”, “Bevilles”, “TenSevenSeven” and “Medley” is reference to the relevant brand within the Michael Hill Group.

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OUR COMMITMENT



At Michael Hill, our role is to help create the moments that matter for our customers, our 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 is a pervasive issue that can infiltrate complex supply chains, posing a systemic challenge across the jewellery industry. According to the International Labour Organisation, 50 million people were living in modern slavery in 2024, with an additional 42 million exploited through global supply chains. We are committed to being part of the solution to address this global crisis.

We see sustainability, ethical sourcing and modern slavery being intrinsically linked, ensuring we address all of these elements together to achieve meaningful outcomes. Michael Hill's 2030 Sustainability Goals and Vision, centred around three key pillars of Product, Planet and People, influences 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.

Our membership of the Responsible Jewellery Council (RJC), demonstrates our commitment to excellence in the jewellery industry and promoting trust and transparency in our supply chains. During 2024 Michael Hill commenced the RJC re-certification program with a third-party audit undertaken in October 2024, with an aim to be re-certified to 2028.

This certification not only represents a key foundational 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 operations. 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 30 June 2024 (FY24) and addresses the mandatory reporting criteria outlined by Australian and Canadian 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.

FY24 has marked another year of progress in enhancing our sustainability initiatives and modern slavery mitigation efforts, building on the foundational work achieved in previous years. Notably, our external supplier transparency platform has matured the risk scoring and integrated our procurement processes with external third-party governance data and direct supplier feedback, enabling continuous risk monitoring across our entire jewellery supplier base.

The year saw a focus on working with our suppliers where major non-conformances were previously identified, with a total of 12 follow-up audits conducted by Bureau Veritas. Pleasingly these identified that over 98% of all major audit findings have been remediated, most notably in areas related to pay and working conditions.

As in FY23, we have not identified any instances of modern slavery in the countries where we operate. However, as ever, we do remain aware of breaches of legislative and regulatory standards among some of our suppliers. We acknowledge the seriousness of these violations and continue to engage closely with our suppliers, not only to remediate affected workers but also to elevate overall working conditions through the implementation of improved policies, procedures, and practices.

As we continue to integrate Bevilles into the Michael Hill group, our focus in FY25 will be to expand and enhance our program and work closely with all suppliers to minimise any risks of modern slavery occurring in our supply chain.

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 26 November 2024.

This statement is signed by Rob Fyfe in his role as Chair of the Board of Directors of Michael Hill on 20 December 2024.

Regards,



Rob Fyfe
Chair

20 December 2024



PROGRAM HIGHLIGHTS

15

THIRD-PARTY
FACTORY AUDITS
PERFORMED

8

MANAGEMENT
FACTORY VISITS

0

KNOWN INSTANCES
OF MODERN
SLAVERY

WORKFORCE
ENGAGEMENT SCORE OF
80%

PROGRESSION TOWARDS
100%
RESPONSIBLY SOURCED SUPPLIERS

98% OF OUR JEWELLERY SUPPLIER BASE ARE
ON THE SUPPLIER TRANSPARENCY PLATFORM

100%
CONFLICT FREE
DIAMONDS

98%
CONFLICT FREE
METALS

IN OUR SUPPLY CHAIN

Launched
Michael Hill Foundation
EMPOWERING WOMEN AND NATURE RESTORATION



COMPANY PROFILE

THE MICHAEL HILL GROUP IS A MARKET-LEADING JEWELLERY RETAILER, WITH A PORTFOLIO OF BRANDS, OPERATING A NETWORK OF 300 STORES ACROSS AUSTRALIA, NEW ZEALAND AND CANADA, WITH MULTIPLE INTERNATIONAL DIGITAL PLATFORMS.

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

The Group operates through four retail brands - Michael Hill Fine Jewellers, Medley, Bevilles and TenSevenSeven. 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

Over the last four years, the Company has been on a transformative journey focussing on elevating our brand, growing our Loyalty membership, enhancing and innovating our digital and omni-channel capabilities, refining our retail fundamentals, continual product evolution, exploring new territories and services, maintaining a cost conscious culture and with a focus on Sustainability.

As of 30 June 2024, the Group operated 171 stores in Australia (including 36 Bevilles stores), 44 in New Zealand and 85 stores in Canada.

Given our operation as a group, modern slavery goals apply to all our all business operations and suppliers we do business with. Acquiring Bevilles has made us reconsider our approach to streamline our procurement and management of suppliers.

We have further work to do for the Bevilles brand and plan to bring them on the journey in FY25 for the areas relevant to their business.

RETAIL BRANDS

MICHAEL HILL

FINE JEWELLERS

Michael Hill Fine Jewellers are a market-leading, premium jewellery brand, with over 250 stores across Australia, New Zealand and Canada, and multiple digital platforms.

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.

Bevilles
BEAUTIFUL JEWELLERY

Bevilles believe in making jewellery accessible to everyone.

At 30 June 2024, Bevilles had 36 stores in Victoria, New South Wales, Queensland and South Australia.

TenSevenSeven

TenSevenSeven is our premium online platform for crafting bespoke engagement rings. Users can design, compare, and purchase custom rings with ease. With stunning 3D visualisations and extensive customisation options, TenSevenSeven combines the customisation of an 'In Real Life' independent jeweller with a seamless digital experience.



HEAD OFFICE

Our head office supporting all retail brands 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.

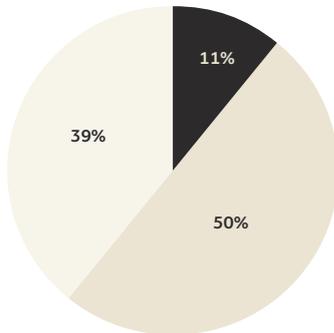
Craftsmanship is one of the founding pillars, and deep in the heritage of our business. Michael Hill first established an in-house workshop in the 1980s, and we are one of the only Australian jewellers to maintain a retail-led workshop to this day, with a dedicated team of master craftsmen, diamond specialists 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. Our manufacturing team are responsible for:

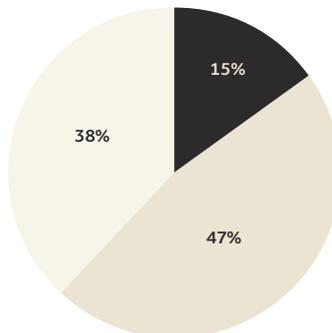
- 81% of all solitaire engagement rings being made in Australia.
- Made in Australia product making up 13% of Michael Hill's international sales.
- 26,839 individual products being crafted in our Australian manufacturing facility in FY24.

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 supported three apprentice positions in our unique artisanal jewellery manufacturing operations.

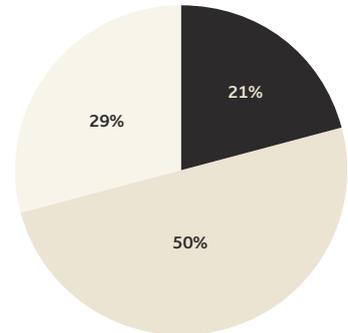
FY24:
PROFILE OF TOTAL
CONSOLIDATED SPEND



FY23:
PROFILE OF TOTAL
CONSOLIDATED SPEND



FY22:
PROFILE OF TOTAL
CONSOLIDATED SPEND



LEASES
 INVENTORY - JEWELLERY SUPPLY CHAIN
 OTHER - NON-STOCK PROCUREMENT



EMPLOYEES

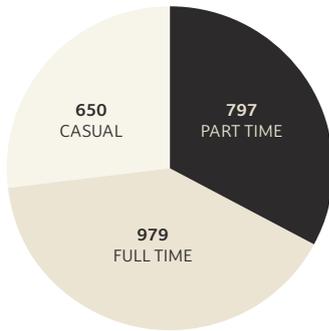
Globally, the Group employs approximately 2,858 employees across retail sales, manufacturing, distribution and corporate roles, with the majority of these roles based in our retail network.

As at the end of FY24, the total number of Michael Hill employees across each market is outlined below.

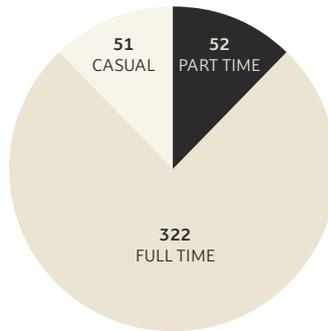
EMPLOYEES BY COUNTRY



GENDER SPLIT



FEMALE 85%
(2426 FEMALE EMPLOYEES)



MALE 15%
(425 MALE EMPLOYEES)

7 EMPLOYEES HAVE NOT PROVIDED GENDER INFORMATION

AGE DISTRIBUTION



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 FY24 we worked with approximately 1,140 suppliers globally with a total consolidated spend of over \$400 million (including retail store leases) and our supply chain spend is shown below. Michael Hill's top 10 suppliers contribute to 37% of total spend.



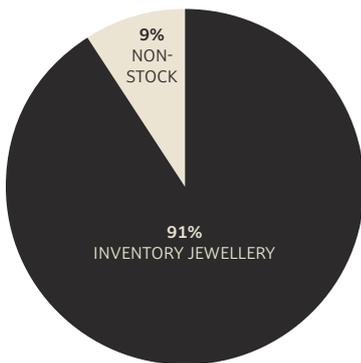
JEWELLERY SUPPLY CHAIN

Our jewellery supply chain comprises finished goods, raw materials, loose stones and component parts. Seven of our 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.

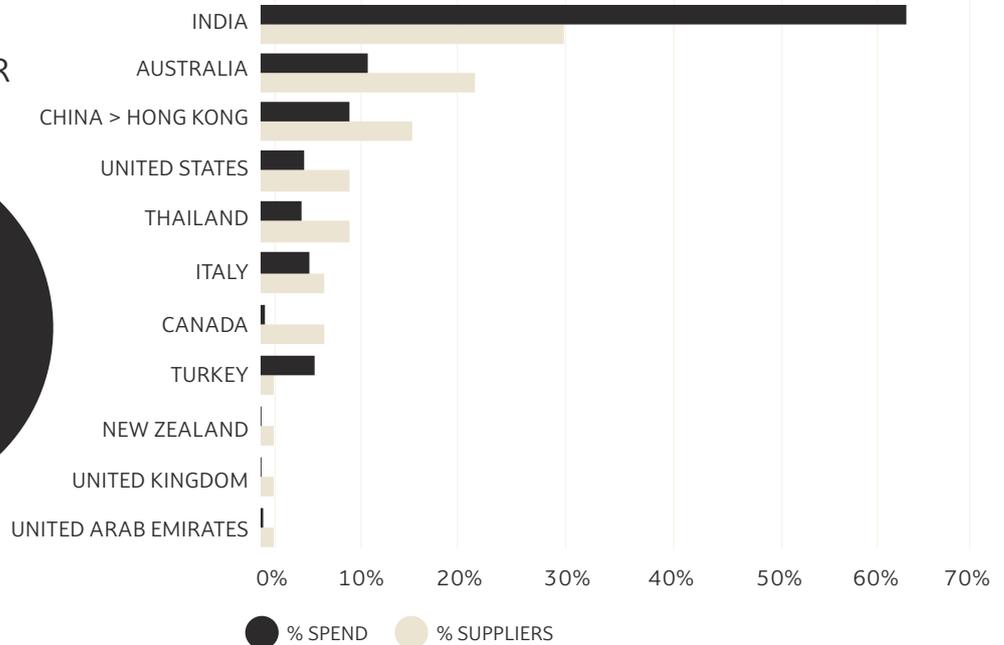
Michael Hill has a jewellery supplier base of 67 jewellery suppliers, many of which we have well-established and long-standing relationships with. A breakdown of our jewellery supplier base including profile of total spend per country is shown below. Refer to section Progress Made in FY24 for further details regarding the profile of our suppliers, including certification status.

PROFILE OF TOP 10 SUPPLIER SPEND 2024



PROFILE OF JEWELLERY SPEND PER COUNTRY FY24

(EXCLUDING MICHAEL HILL AUSTRALIA 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)

- Jewellery repairers (both internal and third-party jewellery repairers)
- Property (facilities management, store fit out, cleaning, waste, maintenance)
- Security services
- 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 AREAS IN DETERMINING OUR MODERN SLAVERY RISK - ENTITY, GEOGRAPHICAL AND SECTOR AND INDUSTRY.

ENTITY RISK is defined as those internal processes that give rise to modern slavery risks and external 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 the countries we operate in and source from that may have higher risks 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 which 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.

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 opportunities 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.

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.

Although our jewellery supply chain will always be the highest risk area, we apply a risk-based approach to all suppliers especially where they are new to Michael Hill. This process has identified a number of non-jewellery providers that have a heightened risk of modern slavery, such as suppliers which provide labour intensive services (e.g. jewellery repairs, technology developers, security and facility management services).

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.

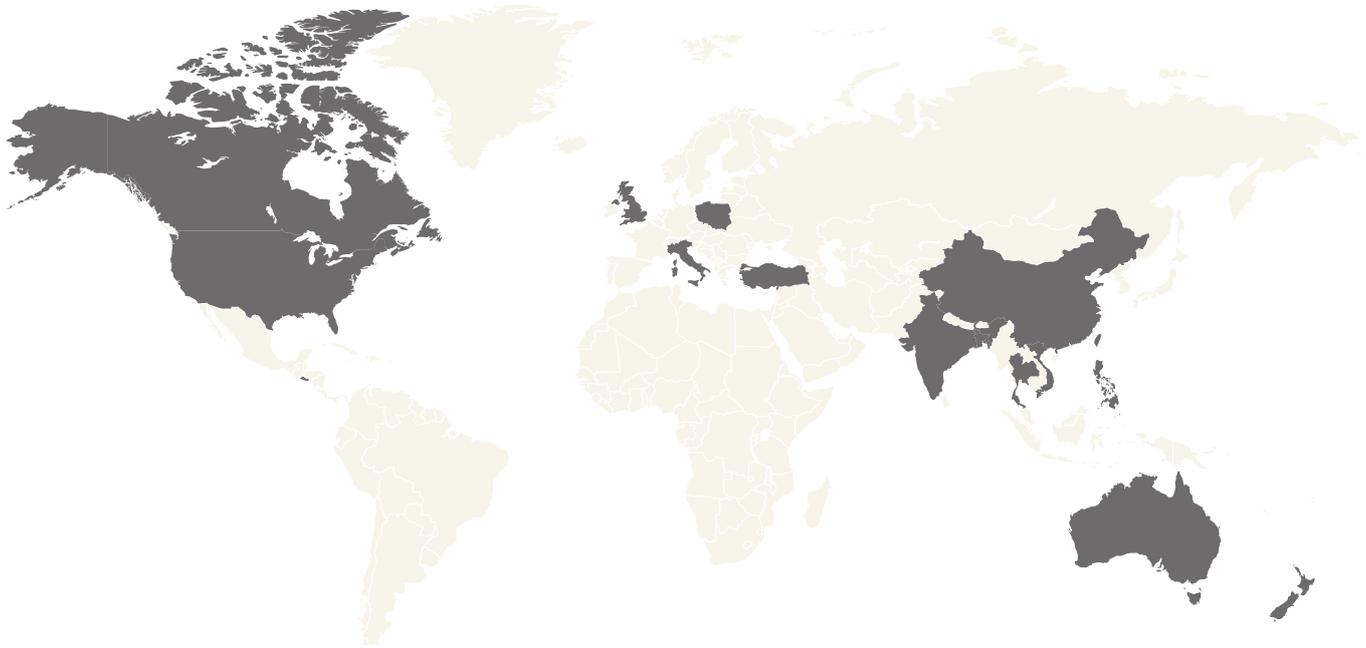
WHERE WE OPERATE

Michael Hill operates retail stores in three countries - Australia, Canada and New Zealand. The Global Slavery Index continues to identify 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.

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 shown below reflect where suppliers on our Supplier Transparency Platform are located.



● LOCATIONS IN WHICH OUR SUPPLIERS 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.

Of particular concern are gems sourced from India which are listed in the US Department of Labor's 2024 "List of Goods Produced by Child Labor or 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 RJC. 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 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.

CENTRAL AMERICA

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

The audit of this supplier in FY23 identified several safety non-conformances. During FY24 a further external site audit confirmed the remediation of these findings.

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.

COLORED GEMSTONES

The coloured gemstone industry has faced a lack of innovation and traceability for coloured gems and pearls, with the majority originating from artisanal and small-scale miners. This, combined with the limited guidance and inherent risk associated with the industry's sourcing practices, compared to the diamond and precious metal industry, makes it difficult to provide customers with true product provenance.

Despite the limited guidance available within the jewellery industry, Michael Hill maintains a risk matrix which assesses all coloured stones and pearls based on country of origin in accordance with the Global Slavery Index. This tool provides valuable intelligence to our sourcing teams about product and sourcing locations and informs their purchasing decisions based on potential risk of sourcing from conflict-affected or high-risk areas. The team actively utilises this matrix when sourcing and developing coloured stone jewellery ranges.

We rely on the RJC's prescribed standards, such as the Code of Practices, to help us carry out the necessary due diligence on our supply chain. We recognise that the challenges relating to coloured gemstones and pearls sourcing cannot be solved overnight. However, using a risk-based approach, together with the inclusion of specific questions relating to labour standards on Michael Hill's supplier transparency platform, we hope to better understand each product's gemstones and their provenance. With traceability, we will be better placed to assess the risk of our suppliers.

While Michael Hill has focused on carrying coloured gemstones that have some traceability, Michael Hill and Bevilles have also committed to offering lab grown coloured gemstones. The inherent transparency of lab grown coloured gemstones helps to mitigate the identified risk. We actively encourage the development of industry standards for natural coloured gemstone sourcing and traceability so we can transparently offer our customers responsibly sourced coloured gemstones.

CONFLICT FREE NATURAL DIAMONDS

We remain committed to offering only conflict-free diamonds from legitimate sources in our jewellery. In accordance with our obligations under the RJC Code of Practices standard, we do not knowingly buy or sell conflict diamonds within our Michael Hill, Medley and TenSevenSeven brands.

Our compliance system requires each of our diamond suppliers to provide a written warranty that the diamonds supplied are conflict free in accordance with the Kimberley Process Certification Scheme (KPCS) minimum requirements and recommendations, and the World Diamond Council System of Warranties. This system applies to our procurement of loose diamonds and those set in jewellery products.

Internal staff training and our supplier Code of Business Ethics and Code of Conduct help to communicate our conflict-free diamond standards throughout the business.

For FY25, the Group will work towards embedding this compliance system throughout Bevilles' jewellery value chain.

Our goal is to continue encouraging our industry to improve traceability within the diamond industry while welcoming innovative developments within the industry to maximise our customers' budget and style preferences.



SANCTIONS COMPLIANCE FRAMEWORK

The Group has taken steps to comply with the sanctions package issued by the G7 countries during the financial year against non-industrial diamonds, mined, processed, or produced in Russia. While equivalent sanctions have not been introduced in Australia or New Zealand, given our presence in Canada, the Group recognises the G7 system as the benchmark for compliance efforts across our jurisdictions.

We have developed and implemented a robust compliance framework throughout all relevant areas of the business, including import and export, sourcing and procurement, and merchandising. This has involved uplifting our sourcing practices to ensure diamonds subject to sanctions are excluded from our loose diamond and finished jewellery product sourcing.

Supporting our compliance system for conflict free diamonds, Michael Hill's diamond suppliers provide written warranties to confirm that diamonds supplied are of non-Russian origin. The Group's framework has also been prepared to comply with the RJC Guidance on G7 Russian Diamond Import Restrictions and will be updated in FY25 when the sanctions package is expected to implement a mandatory traceability system to verify that imported diamonds are of non-Russian origin.

HOW WE ADDRESS MODERN SLAVERY RISKS

Michael Hill's governance committees oversee modern slavery risks and manages these risks through 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 RJC's Codes of Practices which we formally adopt and promote to suppliers as our global standard and benchmark for being a responsible jewellery business.



MODERN SLAVERY FRAMEWORK

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 practice	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 STEPS		PROGRAM STAKEHOLDERS
RJC FRAMEWORK (COP 5, 6, 7, 14) and MHJ POLICIES AND PROCEDURES	<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 • New Supplier Form • Know Your Counterparty Form • Signed Supplier Code of Ethics and Conduct • Where supplier due diligence is successful, supplier qualifies for Phase 2. 	<p>BOARD OF DIRECTORS</p> <p>Responsible for reviewing and approving our Modern Slavery Program. Delegate authority to Audit & Risk Management Committee in relation to the review and monitoring of material business risks.</p>
	<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>AUDIT & RISK MANAGEMENT COMMITTEE</p> <p>Responsible for reviewing and monitoring material business risks, including the risks of modern slavery in our operations and supply chain.</p>
	<p>3. SUPPLIER ONBOARDING</p> <p>Supplier is onboarded and business is able to consume services and procure product.</p>	<p>CEO AND GROUP EXECUTIVE</p> <p>Accountable for managing the risk of modern slavery in our operations and supply chain.</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 commission an on-site independent Modern Slavery Factory Audit. Results of audits are reported to the Audit & Risk Management Committee and Sustainability Steering Committee.</p>	<p>SUSTAINABILITY STEERING COMMITTEE</p> <p>Governance committee for escalating modern slavery risks with suppliers.</p>
	<p>5. SITE/SUPPLIER AUDIT</p> <p>On-site independent audit performed by Bureau Veritas.</p> <p>Michael Hill management perform Modern Slavery Compliance Checks when visiting supplier factories.</p>	<p>AUDIT AND RISK TEAM</p> <p>Accountable for the design of the Supplier Due Diligence Program and Guidance Responsible Sourcing Practices, including providing input into RFI and business review processes and management of the RJC audit.</p>
	<p>6. SUPPLIER ENGAGEMENT AND REMEDIATION</p> <p>Audit Report issued.</p> <p>Minor Non-Conformances: Where Audit Report identifies minor non-conformances, validation of further remediation is performed by desktop review only. Where supplier has actioned all non-conformances, supplier performance is monitored in accordance with Phase 4.</p> <p>Major Non-Conformances: Where Audit Report Identifies major non-conformances, on-site validation of remediation is performed. Where supplier has not actioned non-conformances within an acceptable timeframe, end engagement with supplier.</p>	<p>MERCHANDISING / MANUFACTURING</p> <p>Accountable for managing jewellery supplier performance and compliance checks when visiting supplier factories.</p>
	<p>OTHER BUSINESS UNITS</p> <p>Accountable for managing supplier performance and compliance checks when visiting supplier factories.</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:

SUPPLIER ONBOARDING AND CONTRACTING

Michael Hill's supplier onboarding processes include:

- Know Your Supplier 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.

HALF YEARLY BUSINESS REVIEW

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

GOVERNANCE

Internal - Sustainability is a core pillar of the Group's broader corporate strategy. For this reason, the Group's Sustainability Steering Committee comprises a diverse cross-section of our business with representatives from Finance, Human Resources, Marketing, Merchandising, Legal, Compliance and Risk, including the CEO and three other members of the Group Executive.

By meeting on a quarterly basis, the Steering Committee ensures the Group is accountable for making progress towards its committed goals. The Steering Committee reports to the Board at least twice a year to update on target achievements and results and receive strategic endorsement for future strategic initiatives.

External - The Group draws on a plethora of recognised standards to promote trust and transparency throughout its value chain. For our jewellery materials, the Michael Hill, Medley and TenSevenSeven brands rely on the Kimberly Process to ensure all natural diamonds are conflict free, and the SCS-007 Diamonds Standard to ensure all lab grown diamonds are sustainably produced.

Through a formalised system of written warranties, these brands are also confident that all precious metals are responsibly sourced in accordance with the relevant OECD Guidance. Lastly, we uphold strong modern slavery standards in compliance with local laws which we disclose on an annual basis across our jurisdictions.



INDUSTRY CHANGE AND COLLABORATION

At Michael Hill, we are continually striving to advocate for change within our industry through sharing our goals, setting high standards and maintaining high expectations for our suppliers and business operations. The industry faces complex issues due to its long and complex supply chain – something which will not be changed easily or quickly.

Multiple stakeholders are engaged throughout our supply chain to provide confidence and assurance over sourcing practices for materials to ensure sourcing practices comply with our sustainability strategy. We capture and analyse the source of our precious metals and gemstones through collaboration with our suppliers, and recognise the variety of sources and varied locations, each presenting unique risks and differing production methods.

Some suppliers have the knowledge and capacity to meet these demands and may even be further ahead on their journey than the Group, however others have limited knowledge and capacity. For the latter, we continue to work closely to share information and guidance on how those suppliers can improve their practices and align with our high expectations.

We have continued to become a more active member of the jewellery community this year, through championing and promoting innovative, sustainable products and introducing new circular services for our customers, whilst working with partners, suppliers and other participants in the jewellery industry. Our challenge is still to use our voice to advocate for industry change relating to sustainability through industry relationships, memberships, and the products we sell to our customers. However, we continue to work hard to advocate for change, set expectations and deliver throughout our entire supply chain.



RESPONSIBLE JEWELLERY COUNCIL MEMBERSHIP

GOVERNING FRAMEWORKS

The RJC is the jewellery and watch industry's leading standard setting organization, and Michael Hill has adopted this in developing the 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 7 covers due diligence for responsible sourcing from conflict-affected and high-risk areas (CAHRAs).

At a high level, COP 7 requires Michael Hill to exercise due diligence over its supply chain in accordance with the OECD Five-Step Framework for Risk-Based Due Diligence in the Mineral Supply Chain from CAHRAs, in a way that is appropriate to Michael Hill's size and circumstance. We do this in a variety of ways, such as offering an effective grievance mechanism, operating an inhouse system that provides transparency over our supply chain, and arranging independent third-party audits over our suppliers where appropriate.

Under COP 7 requirements, Michael Hill also addresses sourcing from CAHRAs in its Group Supply Chain and Procurement Policy and its Code of Business Ethics and Code of Conduct for Suppliers. The Policy covers the risks that are relevant to our business and the risks associated with sourcing from CAHRAs, including risks of human rights abuses, direct or indirect support of non-state armed groups, bribery, public and private security forces and environmental impacts.

As an accepted principle of responsible sourcing, the Group supports the position that engagement with CAHRAs must be performed in a sustainable manner, as disengagement from these areas can lead to increasing conflict and risk within affected communities.

COP 29 (Kimberley process) covers the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties.

At a high level, COP 29 requires Michael Hill to neither knowingly buy or sell conflict diamonds nor help others to do so. We are committed to responsible trading with all our supply chain parties through complete avoidance of any dealings in conflict diamonds, or support of any person or entity dealing in conflict diamonds.

Our Conflict Free Diamonds and Sourcing Policy ensures all Michael Hill diamonds are from legitimate sources. All diamonds are purchased under the Kimberley Process, which was instigated in 2003 to help combat the trade in conflict diamonds.

Through a robust written assurance system, we also rely on our downstream suppliers to comply with the Kimberley Process when sourcing the diamonds we ultimately purchase from them. The Kimberley Process ensures that rough diamonds are exported and imported with a government-validated Kimberley Process certificate stating that the diamonds are conflict-free and transported between signatory countries in a sealed and tamper-proof container.

The diamonds are then sold with a written statement (warranty) from the seller, that must be included on an invoice, guaranteeing that the diamonds are conflict-free. The same warranty also appears on the invoices from all suppliers of polished diamonds and finished diamond jewellery sold to Michael Hill.

Michael Hill's retail team is trained on our responsible sourcing processes for diamonds and the relevant staff remain informed of any applicable trade sanctions or systemic issues with the diamond supply chain. As an additional compliance measure under COP 29, Michael Hill's retail stores are prohibited from self-sourcing or purchasing diamonds (whether polished or set in jewellery).

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, and each policy is subject to the approval or oversight from the Board or endorsement by the respective Executive Team.

POLICY / RESOURCE	PURPOSE
Supply Chain and Procurement Policy	Our 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	<p>The Whistleblower Policy demonstrates the commitment of Michael Hill's Board, Group Executive Team and Management to building a culture of transparency and accountability.</p> <p>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.</p>
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.
Work, Health, Safety & Security Policy	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.
Respect at Work Policy	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.

SUPPLIER DUE DILIGENCE

Since the launch of our Supply Chain Transparency program in FY20, we have continuously strengthened our assessment of potential modern slavery risks within our supplier network. In FY24, we further advanced our capabilities by integrating our third-party platform with financial procurement systems and external ESG data sources. This integration enables ongoing risk monitoring of suppliers through a centralised dashboard.

By combining geographic risk factors with actual and forecasted expenditure data, we are able to generate a comprehensive Michael Hill risk assessment. When this assessment is paired with the outcomes of the Modern Slavery Questionnaire, we can identify suppliers that may initially appear to have lower risk yet exhibit specific concerns in certain areas of their operations.

For suppliers identified as having a high or significantly increasing risk, we conduct further evaluations to assess their modern slavery exposure. These evaluations may include a review of the supplier's policies and processes, as well as on-site audits of their operations and facilities, conducted by independent third-party experts.

The Modern Slavery Questionnaire on our third-party platform was updated in FY22 and is currently being revised for FY25. These revisions ensure key risks identified by supplier audits are a focus for management.

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 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 FY24

FY24 has seen the continued execution of several of our program initiatives. 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 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
Cadence of supplier visits to high-risk production facilities.	A total of eight management visits to jewellery suppliers and other vendor factories across India, China, Myanmar and Hong Kong were completed in FY24. There were also 15 independent initial and remediation site audits performed by our third-party auditors - Bureau Veritas. This included high risk locations such as Myanmar, China, India and El Salvador.
Assess high risk suppliers for audits to be completed and developing and managing remediation plans with supplier or cease supplier engagement.	11 remediation site audits were performed where major findings relating primarily to health and safety and social and labour non-conformances were identified.
RJC recertification - includes improving compliance with COP 6 Human Rights in line with UN Guiding Principles on Business and Human Rights.	Michael Hill has undertaken its re-certification audit in October 2024, with a view to securing RJC certification for a further three years.
Revamping the supplier transparency platform with a focus on ensuring a robust and accurate risk based assessment of all Michael Hill suppliers.	During the year we focused on uplifting the process of Michael Hill's Supplier Transparency platform. This included linkage of the financial and procurement systems with external data to provide a current risk assessment of all Michael Hill group suppliers.
Validating supplier certifications and memberships to confirm commitment to social and environmental performance.	Supplier certifications and memberships are validated through our Half yearly Business Review processes with jewellery suppliers, ongoing review of the modern slavery platform and RJC audits. We have been working closely with the RJC to enable automatic tracking of RJC status to enable us to complete our goal of all stock purchases to be from RJC certified suppliers by 2025.
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.
All jewellery suppliers meet 'responsibly sourced' standards.	Currently 100% 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).

VISITS TO HIGH-RISK SUPPLIERS:

Continuing from the work performed last year we have completed a total of 15 independent supplier site audits performed by Bureau Veritas and eight management factory visits performed by Michael Hill's management team primarily focused on jewellery and packaging supplier factories. Management factory visits include a site walkthrough, and visual inspection of key health, safety and environment areas and observation of general working and 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 customised 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 (three factory audits), El Salvador, Myanmar and Vietnam.

One site (El Salvador) has proactively addressed issues ahead of the scheduled remediation site visit related to health and safety issues.

TOTAL NUMBER MAJOR NON-CONFORMANCES

Of the 52 major non-conformances across the six factories audited in FY23, follow-up audits evidenced that 51 major non-conformances had been remediated.

We are working with the supplier with the remaining non-conformance and monitoring their progress of remediation.

Given their inability to resolve the non-conformance in subsequent audits, we have stopped ordering from the affected factory and using alternative conforming suppliers and factories for these services.

In addition, there were six additional major non-conformances identified in audits conducted in FY24 and we are pleased to report that all of these had been verified by Bureau Veritas as being remediated by the end of the year.

PRE ENGAGEMENT SCREENING

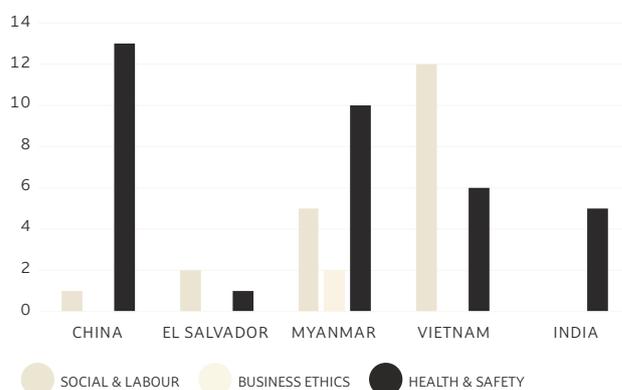
During FY24 Michael Hill did not engage several new suppliers due to failures identified in their modern slavery controls as part of our pre-screening process. The majority of the failures relate to labour intensive suppliers not having the appropriate governance mechanisms to manage the workforce and ensure working conditions meet acceptable standards.

If deficiencies identified are addressed they will be reconsidered in future years.

MANAGEMENT VISITS

Michael Hill staff performed eight factory visits to loose diamond vendors in India. These identified one jewellery supplier that had safety non-conformances relating to the close proximity of the lunchroom to growing facilities. This was confirmed as a temporary situation and remediated within five weeks.

MAJOR NON-CONFORMANCES REMEDIATED DURING YEAR



DEFINITIONS

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.

HOW WE CONTINUE TO IMPROVE - OUTLOOK FOR FY25 AND BEYOND

WE REMAIN COMMITTED TO OUR ROADMAP OUTLINED IN OUR PRIOR STATEMENTS AND HAVE ENHANCED THIS TO REFLECT OUR MATURITY IN THIS SPACE.

Michael Hill recognises that modern slavery risks continue to evolve as our business and supply chains expand. To this extent Michael Hill has identified further areas for continual improvement and these new focus areas have been added to our roadmap.

Our focus for FY25 and beyond is on improving the integrity of our supply chains through responsible sourcing, challenging our purchasing decisions to remain aligned with our sustainability strategy and continuing to remain community focused by improving the lives of women and contributing to the restoration and conservation of the natural environment.



MODERN SLAVERY ROADMAP

1. FOUNDATION	2. ENHANCE	3. OPTIMISE
<p>FY20-21</p> <p>Achieved:</p> <ul style="list-style-type: none"> ✓ Established Supplier Transparency Platform. ✓ Identified key suppliers to engage on the Supplier Transparency Platform. ✓ Developed the Ethical Supply Chain Assessment. ✓ All Tier 1 jewellery and packaging suppliers onboarded onto Supplier Transparency Platform and completed the Ethical Supply Chain Assessment (accounts for 60% of total supplier spend). ✓ Updated Code of Ethics and Code of Conduct for Suppliers. ✓ Reviewed and updated key supplier contracts and supply terms and conditions. ✓ Covid-19 response plan and crisis management. ✓ 2021 Group team engagement survey. ✓ Updated team member Code of Conduct. ✓ Health, safety and wellbeing focus. ✓ Appointment of senior leader responsible for sustainability. ✓ Alignment of Modern Slavery Questionnaire to RJC standards. ✓ Issued our first Modern Slavery Statement. 	<p>FY22-24</p> <p>Achieved:</p> <ul style="list-style-type: none"> ✓ Reviewed new supplier onboarding process and supplier scorecards, including implementation of quarterly business review processes with suppliers conforming to modern slavery, ESG (Environmental, Social and Governance) and responsible sourcing requirements. ✓ Established an Ethical Supply Chain Assessment tailored to non-jewellery industry suppliers. ✓ Onboarding more suppliers onto the Supplier Transparency Platform. The focus was on categories that involved human services or higher risk industries (e.g. property, security, maintenance, facilities management, packaging, offshore vendors) and marketing and digital/IT vendors. ✓ Recommended regular supplier visits to high-risk production facilities. ✓ Developed remediation plans with high-risk supplier audits or cease supplier engagement. ✓ RJC certification to 2025 - includes improving compliance with COP 6 Human Rights in line with UN Guiding Principles on Business and Human Rights and COP 7 Due Diligence for responsible sourcing from Conflict Affected and High-Risk Areas. ✓ Modern Slavery training for Michael Hill staff in key sourcing and contract management roles, an acceleration of FY25+ target. ✓ Reviewed current grievance mechanisms. ✓ Sustainability - core pillar of our strategy and brand proposition. ✓ Validating supplier certifications and membership to confirm commitment to social and environmental performance. ✓ Revised anti-slavery contract terms and conditions. ✓ Revised Supplier Code of Ethics and Conduct for ESG and anti-slavery requirements. ✓ Developed Modern Slavery Compliance Checklist for Michael Hill management visits. <p>Continue in FY25:</p> <ul style="list-style-type: none"> ∞ All jewellery suppliers meet 'responsibly sourced' standards. ∞ Establish a process for undertaking due diligence for Tier 2 and 3 suppliers. ∞ Establish formal committee for ongoing responsible sourcing practices. ✓ Achieve RJC mid-term audit recertification. ✓ Develop a tailored questionnaire depending on industry type to suit smaller scale suppliers. ∞ Modern Slavery Supplier Transparency Platform is uplifted for TenSevenSeven and Bevilles suppliers. ✓ Launch of the Michael Hill Foundation, supporting positive change for disadvantaged women and contributing to the restoration and conservation of the natural environment. 	<p>FY25+</p> <p>Achieved:</p> <ul style="list-style-type: none"> ✓ Annual Modern Slavery awareness training rolled out to executives, senior staff and group staff in key sourcing and procurement roles. Target revised from Annual Modern Slavery awareness training for all staff. <p>Continue in FY25+:</p> <ul style="list-style-type: none"> • Uplift Michael Hill's Modern Slavery Program to reflect new legislation coming into effect in our markets of operation. • Complete Modern Slavery effectiveness review (Australia). • Develop a Modern Slavery Risk Scorecard for measuring effectiveness of Michael Hill's actions in assessing modern slavery risk. • Extend Ethical Supply Chain Assessment to all suppliers. • Revise the process for selection of new suppliers to include completion of a tailored questionnaire per industry type, visits to the facilities to understand working conditions and appropriate revisions to the Supplier Code of Conduct if required. • Embed ongoing cycle of audits with our third-party independent verification and audit partner on high-risk suppliers. • Undertake due diligence for all suppliers. ∞ Consideration of corporate structure and alignment to business strategy. • Ongoing RJC compliance monitored through management attestation confirming compliance with relevant COPs. • Develop Michael Hill's Responsible Sourcing Policy.

Legend: ✓ Achieved | ∞ Partially Achieved

2030 SUSTAINABILITY GOALS AND VISION

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.

Our sustainability framework continues to underpin our focus for modern slavery. Two of the three pillars are closely linked to the modern slavery objectives as shown in the diagram following.



OUR PILLARS

Our 2030 goals are outlined below:

PRODUCT

100% OF OUR PRODUCTS WILL BE SUSTAINABLE, RESPONSIBLE OR CIRCULAR

TRANSPARENCY

100% use of certified sustainable or responsibly sourced natural diamonds, coloured gemstones and cultured pearls [by 2030]

METAL STEWARDSHIP

100% of Michael Hill's products will be made from certified recycled, local, artisanal or responsibly sourced metals [by 2025]

INNOVATION

We will pioneer an innovation hub to champion and integrate jewellery circularity, product innovation and lab grown diamonds [by 2024]

PLANET

WE WILL NURTURE NATURE AND REDUCE OUR NEGATIVE IMPACTS TO NET ZERO

ZERO CARBON OPERATIONS

Achieve net zero carbon operations (scopes 1 & 2) [by 2025]

NATURE POSITIVE

Contributing to the restoration and conservation of the natural environment in our key markets [by 2025]

ELIMINATE WASTE

We will send zero waste to landfill and eliminate single use plastic from our packaging [by 2027]

PEOPLE

WE WILL IMPROVE THE LIVES OF PEOPLE ACROSS OUR VALUE CHAIN

RESPONSIBLE SUPPLIERS

100% of all suppliers meet our expectations on their social and environmental impacts [by 2030]

EMPOWERING WOMEN

Deliver initiatives and develop partnerships focused on empowering and supporting over 100,000 women [by 2030]

GREAT PLACE TO WORK

Michael Hill will maintain a leading workforce engagement score of greater than 80%

PEOPLE PILLAR

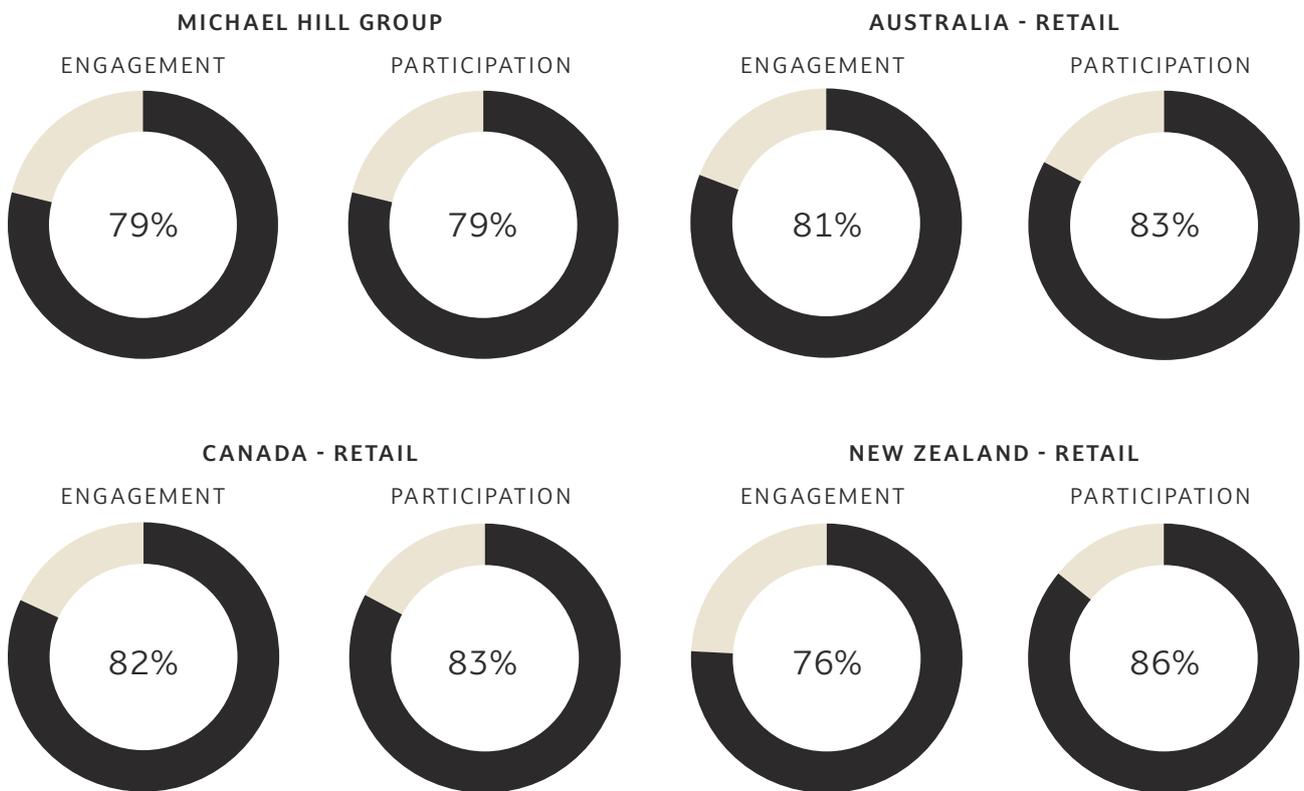
EMPLOYEE ENGAGEMENT

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

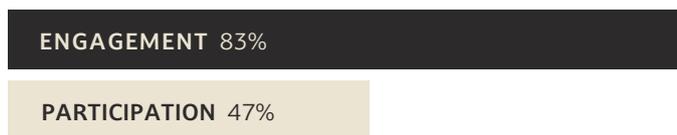
Our annual Engagement Survey was conducted in August 2024. In the last 12 months, we have faced a challenging market environment, but with a completion rate of 79%, our teams consistently demonstrated high engagement, achieving an impressive engagement score of 79%.

Our results also show that, across all tenure bands, we continue to perform positively against the global Retail averages.

ENGAGEMENT SURVEY 2024



SEASONAL CASUAL SURVEY



By measuring the engagement of our Seasonal Casuals, we were able to measure their experience as they are a key enabler of quarter two performance for the period of peak Christmas trade. The survey asked our seasonal casuals to consider our recruitment process, engagement, and onboarding experience. We were pleased to see that these seasonal team members were also highly engaged, with a score of 83%.

PEOPLE PILLAR

LOCAL CRAFTSMANSHIP

At Michael Hill, the art of craftsmanship lies at the heart of our rich heritage, defining the essence of who we are. Our unwavering commitment to preserving and enhancing this tradition has driven us to continually evolve and refine our capabilities. Nestled across Brisbane, our home to a team of masterful artisans serves as the crucible where creativity meets skill.

In FY24, our dedication to craftsmanship continued our partnership with TAFE Queensland. Together, we have embarked on a transformative apprenticeship program, meticulously designed to nurture emerging talents in alignment with our values and honouring our deep-rooted belief in passing on the torch of artisanal excellence to the next generation.

In our relentless pursuit of excellence, we embrace not only the time-honoured techniques but also cutting-edge innovations in our craft. We recognise that true preservation lies in the fusion of tradition and technology. To this end, we have integrated state-of-the-art technologies and harnessed the power of modern expertise. Through strategic innovation, and nurturing the talents of tomorrow, we embark on a journey to safeguard our artisanal legacy.

LOCAL TEAMS FOR REPAIRS AND MANUFACTURING

In addition, we acquired a Brisbane-based jewellery repairs business in December 2023, now known as the Michael Hill Service Centre. The acquisition of this business has helped to boost our support of local craftspeople with expertise in jewellery repairs, having performed dedicated repairs for Michael Hill for several years. Retaining the art of jewellery crafting and repairs through a talented network of people is very close to Michael Hill's core values – which has focussed on craftsmanship since the creation of the brand.

WORKING WITH LOCAL JEWELLERS

Throughout the financial year, we have engaged closely with our jeweller partners across Australia, New Zealand and Canada. Our engagement with local jewellers has helped us deliver a range of jewellery repair services through both the Michael Hill and Bevilles brands. At the end of the financial year, we have formalised relationships with 18 jewellers across the three countries. Each of these jewellers comprise small-to-medium businesses that have been carefully selected based on their capabilities, quality of workmanship, communication with our retail team and commitment to our brands. We are proud to support jewellers in both major cities and regional areas, from Vancouver to Toowoomba and we remain dedicated to keeping the art of jewellery crafting alive in the countries in which we operate.



PEOPLE PILLAR

LAUNCHING THE MICHAEL HILL FOUNDATION

In February 2024, we proudly launched The Michael Hill Foundation which represents our ongoing commitment to meaningful change, and our dedication to a better world. The Michael Hill Foundation has two key philanthropic focus areas: Empowering Women, aimed to support disadvantaged women in the markets in which Michael Hill operates, and Nature Restoration which ensures a positive contribution towards the restoration and conservation of the natural environment. Through continual initiatives and key charity partnerships, we are dedicated to empowering the lives of women and conserving and restoring nature in our localities, working towards our sustainability targets for 2030.

The Michael Hill Foundation forms part of the Michael Hill Group and is dedicated to charitable giving. The Michael Hill Foundation is not a registered charity, and does not accept public donations. Instead, a portion of Michael Hill's sale proceeds are directed to The Michael Hill Foundation, through which we support our charity partners and their important projects. These partners, projects and product sale proceeds have been carefully selected under Michael Hill's Sustainability Strategy.

EMPOWERING WOMEN

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous, and sustainable world. There has been progress over recent decades: more girls are going to school, fewer girls are forced into early marriage, more women are serving in parliament and positions of leadership, and laws are being reformed to advance gender equality. Despite these gains, many global challenges remain.

With 85% of the people working at Michael Hill Group identifying as female, and the majority of our customer base identifying as women, Empowering Women is a key area of focus for the Michael Hill Foundation. Michael Hill's philanthropic efforts have been aimed at improving the lives of women, through enabling opportunities, under a considered program of work since 2021.

By 2030, we aim to deliver initiatives and programs focused on empowering and supporting over 100,000 women and have strong roadmaps and partnerships in development to deliver this goal in the coming years.

WORKING WITH KEY PARTNERS

Collective Good
Foundation



COLLECTIVE GOOD FOUNDATION

Collective Good Foundation works closely with companies, non-profits and foundations to implement projects and develop sustainable solutions to meet the challenges of a developing India. Key issues they work to address include healthcare, education, Water, Sanitation & Hygiene (WASH), and women's empowerment. This financial year, with fundamental support from the Rosy Blue Foundation, a registered charity organisation of one of our key jewellery product suppliers in India, Michael Hill established a partnership with **Collective Good Foundation** to empower women in the arid rural village of Danta, North Gujarat, India.

Women and girls in this area face challenges including limited avenues for skilled work and work outside the home; lack of financial support for higher education; and a greater burden of domestic and care work. Our partnership has four key focus areas to improve women's lives in Danta: including providing access to agriculture schemes and water security, food security through home gardening, menstrual education and support, and hygienic toilet facility refurbishments. We have chosen to support women and girls in Danta in the state of Gujarat - a key diamond region intrinsically linked to the jewellery industry and our business. Rosy Blue Foundation will help to coordinate this work on the ground.

Since the launch of The Michael Hill Foundation, we have donated over \$48,000 to the Collective Good Foundation and kick-started fundamental projects to support our target of empowering 100,000 women by 2030.

Rather than a 'set and forget approach' where refurbished or new facilities are developed without continuing support, we have collaborated with the Collective Good Foundation to meaningfully consider the long-term impacts that our donations can have on local women. For example, rather than locating a menstrual support kiosk or refurbishing toilet facilities in the most populated area, the Collective Good Foundation has helped to ensure our projects have the most impact. Field work with local communities has helped us to identify women's groups who can be trained on operating and maintaining the facilities we will be developing. This work also identified women leaders from the local community to act as trainers to increase engagement, which has proven especially important given dialect differences across Danta.

PEOPLE PILLAR



DRESS FOR SUCCESS - AUSTRALIA

Dress for Success is a global not-for-profit organisation that empowers women to achieve economic independence by providing a network of support, professional attire and the development tools to help women thrive in work and in life.

In 2023 in Australia:

- Dress for Success helped more than 5,402 women
- Volunteers donated more than 34,956 hours of their time
- More than 56,889 items of clothing, shoes and bags were donated to women in need.



PERIOD PURSE – CANADA

The Period Purse is a registered charity in Canada striving to create menstrual equity by ensuring sustainable access to period products for all and by ending the stigma associated with periods through education and advocacy. Their three pillars of focus include outreach, education, and advocacy. Since their inception, they have donated more than five million period products and educated over 6,000 people.

In 2024, Michael Hill was delighted to establish a partnership with The Period Purse. Our teams have had significant engagement with our Retail Leadership Team visiting the premises and participating in a Moon Time Walk and insightful conversation. The CEO of the charity has attended a Canadian Managers meeting to educate our team about menstrual equity and this work has been extended to our Michael Hill Podcast, Room for All.



WOMEN'S REFUGE – NEW ZEALAND

Women's Refuge is New Zealand's largest nation-wide organisation that supports and helps women and children experiencing family violence. They provide crucial services including a 24-hour crisis line, information and safe housing, as well as education programmes and advocacy aimed at positively changing policies and attitudes. Their vision is for all women and children in New Zealand to live free from domestic and family violence.

Michael Hill continued our partnership into the 2024 calendar year in New Zealand with Women's Refuge in Auckland.



PRODUCT PILLAR

PRODUCT EVOLUTION

At Michael Hill, we are working with our suppliers and other industry partners to ensure we deliver ethical products to the very highest quality standard possible. We are constantly investigating the materials we use to be less impactful on our environment, whilst continuing to provide the quality of jewellery that our customers trust us to provide.

As part of the sustainability vision and goals, the product transparency pillar and goals have an underpinning focus on modern slavery. For example, use of certified sustainable or responsibly sourced natural diamonds minimises the risks that may be present deep in supply chains such as the mining of conflict minerals. Michael Hill is committed to offering only conflict-free diamonds in our jewellery. We only purchase natural diamonds from legitimate sources in accordance with the Kimberley Process Certification Scheme, as supported by the World Diamond Council System of Warranties. The Kimberley Process Certification Scheme is a joint government, international diamond industry and civil society initiative to prevent conflict diamonds from entering the supply chain. As part of our business practices and supply arrangements, we ensure that 100% of our diamonds are conflict free.

SUSTAINABLE LAB DIAMONDS

Michael Hill, Medley and TenSevenSeven are some of the few global retailers to become Accredited Retailers of SCS-007 Certified Sustainability Rated lab grown diamonds.

In FY24, our brands have received a raft of positive global press acknowledging the innovative and sustainable nature of this new product we offer our customers.

For Michael Hill, sales of this product have increased to 11% of our overall diamond mix while attracting a new sustainability-conscious customer to our brand. We see our certified sustainability rated lab grown diamonds provided across 3 of our brands providing our customer the 5th C when purchasing a diamond – Choice.

Setting a new standard of excellence, a Certified Sustainability Rated Diamond has been independently evaluated in accordance with the SCS-007 Sustainability Rated Diamonds Standard and certified against five pillars of sustainability achievement provided by SCS global.

Michael Hill's entire range of lab grown diamonds are certified sustainable, meaning they have achieved:

- **Verified origin traceability:** Sustainability Rated Diamonds are tracked through a verified origin traceability process that provides 99.9% accuracy of the origin of each diamond through its entire chain of custody, from producer to point of sale

- **Ethical stewardship:** each diamond is certified to adhere to twelve core ethical principles aligned to the strictest internationally recognised norms of business integrity
- **Verified climate neutral:** Sustainability Rated Diamonds are certified on their journey toward achieving full Climate Neutrality – produced in a manner that mitigates both current annual and past (“legacy”) greenhouse gas emissions still affecting the climate
- **Sustainable production practices:** Sustainability Rated Diamond producers are committed to the principle of doing no harm to humans or the environment, and are actively working to avoid, eliminate or offset any impacts that might be associated with the production process
- **Sustainability investments:** Sustainability Rated Diamond producers engage in sustainability investments that help uplift artisanal and small-scale miners and other vulnerable communities, clean the air, protect the climate and protect endangered watersheds and ecosystems.

Each certified diamond is accompanied by a detailed certificate which is provided to the customer at the point of purchase.

CONFLICT FREE PRECIOUS METALS

We are committed to using conflict-free and responsibly sourced gold. This means that our brands take steps to ensure that we do not support activities which cause, support or benefit armed conflict, contribute to human rights abuses or to breaches of international humanitarian, money laundering and terrorist financing laws.

As part of our RJC mid-term audit performed in FY24, Michael Hill and Medley had conflict free gold certified as a provenance claim. This has involved only sourcing through suppliers who are capable of providing assurance that the gold in their products is responsibly sourced and conflict free in accordance with recognised frameworks maintained by leading industry bodies for precious metals.

These international frameworks have been recognised by the OECD and protect the integrity of the global supply chain for the precious metal markets. Our work is supported by established management systems and due diligence processes to validate our suppliers' responsible sourcing practices.

Currently 98% of the gold sourced by Michael Hill is conflict free, meaning our suppliers comply with the RJC standards for responsible ethical, human rights, social and environmental practices throughout the jewellery supply chain. We continue to aim to achieve 100% of Michael Hill's silver and gold products being certified recycled, responsibly sourced, local or artisanal sources by 2025.

We are proud to have already achieved this goal for Medley and TenSevenSeven.

PRODUCT PILLAR

RECYCLED PRECIOUS METALS

As a Group, we only offer our customers recycled gold, silver and platinum that has been accredited under the RJC Chain of Custody Certification or SCS Recycled Content Certification. We have carefully selected these well-recognised industry standards for our recycled metals as part of our effort to reduce reliance on the earth's virgin minerals and to promote precious metals circularity. Certified recycled metals formed 5% of Michael Hill's and 16% of Medley's gold and silver jewellery products for FY24. We are looking to increase this percentage of certified recycled metals for FY25 and beyond. This will involve working with our suppliers to ensure metal is only sourced from those who have a provenance claim for recycled gold and silver certified under their RJC Chain of Custody accreditation, or who have their recycled metals certified under the SCS Recycled Content standard.

96% of Michael Hill's sales are jewellery products made from gold and silver, therefore these metals remain our key focus to originate from more sustainable sources. We are committed to working with our existing suppliers to bring more certified recycled materials into the Group's supply chain and provide our customers with more sustainable gold and silver product options.

In the RJC mid-term audit conducted during FY24, the RJC certified a provenance claim by both Medley and TenSevenSeven relating to recycled precious metals. This involved fully documenting how our recycled metal products are sourced only from suppliers that can provide full traceability for recycled metals under the RJC Chain of Custody standard and/or the SCS Recycled Content standard.

INNOVATION AND CIRCULARITY

At Michael Hill, we continue to be a leader in innovative jewellery products and services in the countries we operate. The industry is starting to shift in material use, circularity and driving sustainable solutions, and the Michael Hill Innovation Hub strives to be at the forefront of any product development, innovation or research that is undertaken globally within our industry.

We are focussed on delivering re:new – our sustainable jewellery ecosystem in all of our markets, including re:cycle, re:store, and re:imagine. This innovative platform is a true circularity program in our industry, which focuses on the renewal and circularity of existing precious metals and products. Due to the inherent nature of precious jewellery materials, precious metals used to craft jewellery can be refined and recycled repeatedly, without losing their value or purity. Through our re:new ecosystem, we can provide value to our customers while supporting a circular economy.

re : new



Our sustainable jewellery ecosystem

re : cycle

Give your precious metals a new lease on life with our gold recycling program. Make a sustainable choice, while trading in for a store gift card.

re : imagine

Love your stone, but outgrown the size? Trade in your Michael Hill diamond and upgrade your size for even more sparkle.

re : store

Repair and restore your jewellery and see them shine anew, ready to be worn and loved again.

APPENDIX

This Modern Slavery Statement was prepared in accordance with the mandatory reporting criteria set out in the Modern Slavery Act 2018 (Cth). The table below outlines where information related to each of the mandatory reporting criteria can be found within Michael Hill's Modern Slavery Statement.

MODERN SLAVERY ACT - MANDATORY CRITERIA	REFERENCE IN THIS STATEMENT
	Page Number
Identify the reporting entity	7
Describe the reporting entity's structure, operations and supply chains	7-11
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	13-16
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	17-23
Describe how the reporting entity assesses the effectiveness of these actions	24-27
Describe the process of consultation on the development of the Statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the Statement)	7
Any other information that the reporting entity, or the entity given the statement, considers relevant	35





MICHAEL HILL

INTERNATIONAL LIMITED