



WE ARE WOOL

Michell Wool Pty Ltd Modern Slavery Statement FY23

1. The reporting entity

This is the modern slavery statement for Financial Year 2023 (FY23) for Michell Wool Pty Ltd (ABN: 11 165 515 604) which is headquartered in Adelaide, South Australia.

The company Managing Director, Board Members and Directors of all Michell Wool Pty Ltd owned or controlled entities were consulted during the development of this Modern Slavery Statement.

2. Michell Wool structure, operations and supply chains

Established from GH Michell and Sons Pty Ltd founded in 1870, Michell Wool Pty Ltd is a family owned and operated business supplying processed wool to the global wool market.

Michell Wool Pty Ltd has the following subsidiary companies as outlined below:

Company name	Principle place of business
Michell Direct Wool Pty Ltd	Australia
Michell 1870 Pty Ltd	Australia
Michell 1870 Yams Pty Ltd	Australia
Project 9 Pty Ltd	Australia
Tops Supplies Pty Ltd	Australia
Rokelay Wools Pty Ltd	Australia
Michell International Pty Ltd	Australia
Michell Greasy Export Pty Ltd	Australia
G.H. Michell & Sons (HK) Ltd	Hong Kong

Michell Wool Pty Ltd have one processing facility located in Salisbury South, South Australia.

In Australia, Michell Wool Pty Ltd currently employees circa 100 employees.

Michell Wool Pty Ltd source processed wool and machinery parts from a related party located in Suzhou, China.

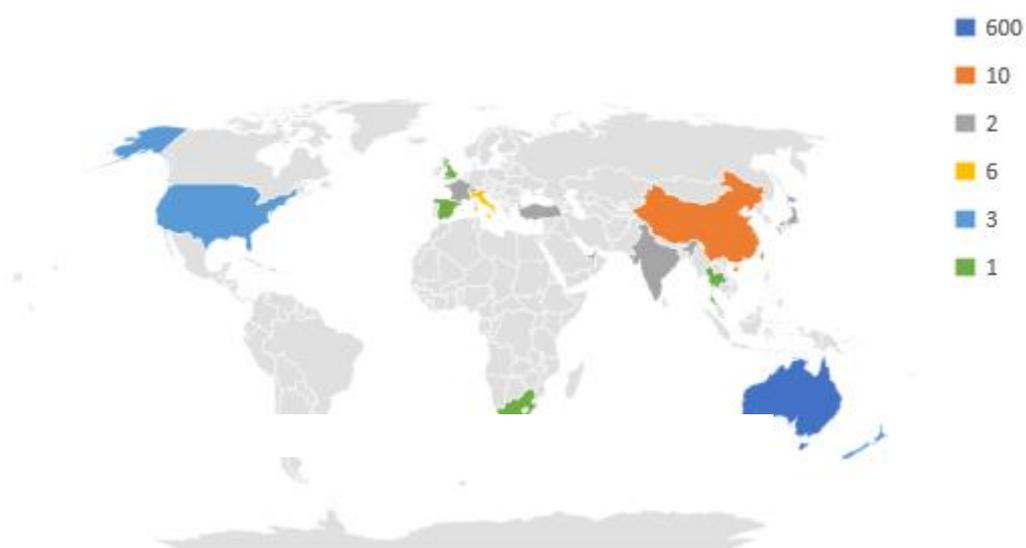
The business in Australia, scours and carbonises Australian greasy wool into raw material to customers' technical requirements, which in turn are manufactured into consumer products. Michell Wool Pty Ltd does not supply products direct to the consumer.

Michell Wool Pty Ltd currently has 642 suppliers, from 17 countries. 91% of these suppliers are from Australia, the remaining countries individually represent 2.3% or less each.

Currently the distribution of suppliers by country as follows:

Country	Suppliers
Australia	91.0%
China	2.3%
Italy	1.9%
Korea	1.7%
UAE	0.8%
France	0.3%
United States	0.3%
Turkey	0.3%
New Zealand	0.2%
South Africa	0.2%
Spain	0.2%
Switzerland	0.2%
Taiwan	0.2%
Thailand	0.2%
United Kingdom	0.2%
India	0.1%
Japan	0.1%

Number of Suppliers by Country



3. Risk of Modern Slavery in Michell Wool Operations and Supply chains

As a processor of wool solely supplied from Australian wool growers representing 91% of our suppliers, the immediate risk of modern slavery is minimal. The remaining suppliers of raw materials, were analysed based on the country in which they are located against globally recognised data sources, such as, the Walk Free Foundation’s Global Slavery Index 2023 and the US Department of State “2023 Trafficking in Persons report”, which classifies all countries as Tier 1, 2, 2 Watch List or 3 based on the following definitions.

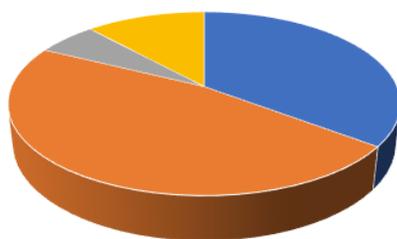
Tier	Definition
1	Countries whose governments fully meet the TVPA's minimum standards for the elimination of trafficking.
2	Countries whose governments do not fully meet the TVPA's minimum standards but are making significant efforts to bring themselves into compliance with those standards
2 Watch List	Countries whose governments do not fully meet the TVPA's minimum standards but are making significant efforts to bring themselves into compliance with those standards, and for which: <ul style="list-style-type: none"> a) the estimated number of victims of severe forms of trafficking is very significant or is significantly increasing and the country is not taking proportional concrete actions; or b) there is a failure to provide evidence of increasing efforts to combat severe forms of trafficking in persons from the previous year, including increased investigations, prosecutions, and convictions of trafficking crimes, increased assistance to victims, and decreasing evidence of complicity in severe forms of trafficking by government officials
3	Countries whose governments do not fully meet the TVPA's minimum standards and are not making significant efforts to do so.

Source: US Department of State '2023 Trafficking in Persons Report'.

This analysis identified that the percentage of direct suppliers and the annual spend in Tier 1, Tier 2, Tier 2 Watch List and Tier 3 countries.

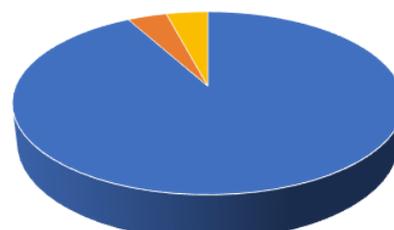
Tier	Percentage of Direct Suppliers	Percentage of Annual Spend	Countries in which Suppliers are based
1	35%	92%	Australia, France, Spain, Taiwan, United Kingdom (UK), United States of America (USA)
2	47%	3.9%	India, Italy, Japan, New Zealand, Switzerland, Thailand, Turkey, UAE
2 Watch List	6%	< 0.1%	South Africa
3	12%	4.1%	China, Korea

Number of Suppliers by Tier Placements



■ Tier 1 ■ Tier 2 ■ Tier 2 Watch List ■ Tier 3

% of Annual Spend by Tier Placements



■ Tier 1 ■ Tier 2 ■ Tier 2 Watch List ■ Tier 3

4. Actions taken by Michell Wool Pty Ltd to assess and address Modern Slavery Risks

At Michell Wool Pty Ltd we have an established Code of Conduct that outlines our standards of personal and professional conduct that all employees must strive to uphold and behave in an ethical and professional manner at all times.

Our Values

Trust is everything; we will create a foundation of trust by always displaying honesty, consistency, openness and integrity for our actions and decisions.

We Value:

Integrity; we conduct business with the highest standards of honesty, professionalism and ethical behaviour.

Respect; we respect the feelings, ideas and contributions of all persons. We show respect by holding the belief that everyone's work is important.

Achievement; we accept responsibility and ownership for our performance. We encourage employees to challenge the status quo and expand current boundaries to implement positive change.

Fun; we believe that all people should have genuine enjoyment of, and achieve a sense of satisfaction from their work. All employees add value to Michell as we each play a part, and it is the value of our different skills and abilities which when combined, drive company performance.

We have a **Whistleblower Policy** that provides a system for our employees, customers or suppliers to report any concerns regarding actual or potential breaches of law including Modern Slavery practices. The Whistleblower policy is available publicly via our Website.

The Michell Wool Pty Ltd related party located in China are members of **Supplier Ethical Data Exchange (SEDEX)**. (Membership number ZC415578603). SEDEX is the largest collaborative platform for sharing ethical supply chain data. It's a globally recognized innovative and effective supply chain management solution, helping to reduce risk, protect company reputations and improve supply chain practices.

Our customers regularly require Michell Wool Pty Ltd to complete ethical supply surveys with no non-conformities identified.

5. Need to remediate

As we have not identified any Modern Slavery practices in our operations or supply chain to date, we have not had a need to remediate them. If we were to encounter Modern Slavery practices in our supply chain which is caused or contributed to by us we will act to cease and prevent our contribution to the Modern Slavery Practices and provide for, or cooperate in remedying any actual impact.

If we encounter Modern Slavery Practices in our supply chain, we will use our leverage to influence the entity causing the risk to act and consider whether we should provide for, or cooperate in remedying any actual impact. If we are unable to exert due influence to have the

entity to cease the Modern Slavery Practices, we will consider terminating the business relationship.

6. Activities to date

Michell Wool Pty Ltd have continuously developed the awareness of modern slavery through ongoing communications both internal and external stakeholders, along with educating our people on the Ethical Trading Initiative (ETI) base code.

7. Looking Forward

Michell Wool Pty Ltd is committed to strengthening our response to modern slavery across our operations and supply chains.

Future actions include:

- Through our dealings with suppliers continue to develop awareness on modern slavery for internal and external stakeholders.
- Continue to develop a supplier code of conduct and disseminate the code throughout our supply chain.
- Investigate and, where possible implement opportunities with our suppliers to assist in eradicating modern slavery within our supply chain.

8. Effectiveness of actions taken

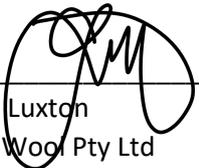
Our actions taken up until FY23 have been effective based on there being no reported findings related to Modern Slavery practices. However, we acknowledge that the actions in relation to Modern Slavery we have taken to date have been primarily focussed on our own operations and not so much on our suppliers and extended supply chain.

The effectiveness of our actions in subsequent years will be determined by either the absence of Modern Slavery practices or how quickly any Modern Slavery practices identified within our supply chain are ceased and remedied.

9. Statement Consultation and Approval

During the reporting period this statement covers, the relevant companies owned or controlled by Michell Wool Pty Ltd were consulted in the development of this statement. In regards to the consultation between entities which are owned or controlled by Michell Wool Pty Ltd, there are common directors and board members across each entity or subsidiary company.

This statement was reviewed, endorsed and approved by the Board of Michell Wool Pty Ltd on the 19th December 2023.



Andrew Luxton
Michell Wool Pty Ltd
Managing Director

19 December 2023