

MICHAEL HILL

INTERNATIONAL LIMITED

NON-EXECUTIVE DIRECTOR FEES POLICY

2700

Michael Hill International Limited ACN 610 937 598 (Company)

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1. Purpose

Payments to Non-Executive Directors will be governed by a clear and rigorous framework and process to guide the Board, Committees and Directors to set Non-Executive Director fees efficiently, effectively and transparently for Michael Hill International Limited (**Michael Hill or the Company**).

This Non-Executive Directors remuneration policy has been developed to:

- Attract and retain Non-Executive Directors with skills, knowledge and experience aligned with Michael Hill values, purpose, goals, and strategic objectives.
- Ensure the focus of the Board is to enhance the interests of shareholders and other key stakeholders and ensuring Michael Hill is properly managed.
- Acknowledge, attract and retain Non-Executive Directors with the essential personal attributes suitable to serve as a Director of Michael Hill, including:
 - High standards of personal integrity and ethical behaviour
 - Critical and sound judgement and decision making
 - Strong interpersonal and communication skills.
- Acknowledge, attract and retain Non-Executive Directors with skills, knowledge and experience in the technical areas needed by the Board to carry out its management and oversight of Michael Hill and deliver its strategic objectives.
- Acknowledge the time commitment to prepare for and attend Board and Committee meetings and other Michael Hill activities.

2. Scope and application

This policy describes the remuneration policy for Non-Executive Directors appointed to the Board and Committees of Michael Hill.

3. Statement

3.1. Remuneration principles

This policy is intended to remunerate Non-Executive Directors appropriately in accordance with the following principles:

- Legal and corporate governance requirements, standards and market expectations.
- Remuneration will be aligned through periodic reviews, to be conducted at least every three years, and more frequently as determined by the Board in its discretion, with the average market remuneration of comparable ASX-listed Australian companies being used as the market peer group.
- The total annual remuneration for Non-Executive Directors must stay within the Non-Executive Director fee pool as approved by shareholders.
- Between market reviews, remuneration for base Non-Executive Director fees, Board Chair fee and Committee Chair fees will be reviewed at the discretion of the Board considering a variety of factors including prevailing market practices, economic and market conditions, Group performance as well as the Wage Price Index (**WPI**) and Consumer Price Index (**CPI**) in Australia.
- Any change to Non-Executive Director fees will be effective from the commencement of the relevant financial year.

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3.2. Remuneration Composition

Subject to any shareholder or other approvals which may be required, the Board may approve the payment of fees to Non-Executive Directors in cash, the issue of fully paid ordinary shares in the Company (**Shares**) or a combination thereof, subject to the proviso that no Director fee payments are subject to any performance conditions or hurdles.

3.3. Remuneration Details

- The fees are inclusive of any applicable superannuation and are in Australian Dollars (AUD).
- Director fees are paid quarterly in arrears, within two weeks of the end of the relevant quarter or, where clause 3.2 applies, such other time as determined by the Board.
- Where Directors have nominated a preference to be paid in New Zealand Dollars (NZD), those Directors payments will be converted from AUD to NZD using the monthly average currency conversion rate of the last month of the relevant quarter, as published by Australian Customs.

4. Accountability

The People Development and Remuneration Committee Chair has ultimate accountability for compliance with this policy.

5. Responsibilities

Responsibilities under this Policy are delegated as follows:

5.1. Responsible Person

The Chief People Officer (Responsible Person) is responsible for the development, implementation and ongoing review and oversight of procedures relevant to this policy.

5.2. Directors

All Directors are accountable for complying with this Policy and all ancillary processes and procedures.

6. Definitions

In this Policy, unless the context otherwise requires:

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

Authority means the level of control a person has over a certain task, situation or process. It may be inherent in a position, to give instructions that will be followed.

Michael Hill means Michael Hill International Limited including its subsidiaries and related bodies corporate.

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

7. Review

This Policy shall be reviewed at least every two years by the Chief People Officer.

8. Policy information

Date approved:	August 2024
Responsible department:	Human Resources
Version number:	1.0

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Next review date:	August 2026
Approval body:	People Development & Remuneration Committee
Related policies, procedures and forms	N/A
Linkage to RJC COPs	N/A
Policy classification	Compliance