

michael hill

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OPEN LETTER TO PAST AND PRESENT TEAM MEMBERS

07 October 2020

Dear current and former Australian retail store team members

I am providing an important update on the Michael Hill remediation program, initially announced on 10 July 2019.

Again, I sincerely apologise on behalf of the Company for these oversights which occurred under previous management, but assure you that I am absolutely committed to engaging with you transparently and with absolute integrity and fairness.

The Company remains committed to fully delivering on this remediation program and we continue to update the Fair Work Ombudsman regarding our progress.

In January 2020, current team members were remediated for identified underpayments. At that time, the intention was to commence remediation of former team members but this was delayed as the entire worldwide retail workforce and a significant portion of the corporate office workforce was stood down in response to the COVID-19 crisis, given the closure of all Michael Hill stores globally.

I can confirm that we have now reassembled our previously stood down internal team who are dedicated to the program. We are committed in ensuring that our systems and processes are tested and fully compliant with the General Retail Industry Award and to remediate all team members who were underpaid.

We continue to be supported by independent external experts PriceWaterhouseCoopers in our review to calculate any underpayments and to give you absolute certainty and confidence that this process is being managed in a transparent and fair manner.

We have made significant progress and expect to commence communications directly with impacted team members early in 2021, and we anticipate making payments from late March 2021. It should be noted that the Company's focus on the critical Christmas trade period has been considered in this timing.

No action by any current or former team member is needed right now. We will be in contact with affected individuals once the review is complete.

Should any former team members wish to ensure their contact details are correct in our systems, we welcome them emailing auhr@michaelhill.com.au to provide updated contact information.

Finally, I want to reiterate my commitment that we will put this right under my leadership.

Sincerely



Daniel Bracken
Chief Executive Officer
Michael Hill International