

## INTRODUCTION

---

Modern slavery is a serious and morally reprehensible crime that deprives a person's liberty and dignity for another person's gain. Every company is at risk of being involved in this crime through its own operations and its supply chain.

K. Mikimoto & Co., Ltd. ("Mikimoto", the "Company" or "we") is fully committed to preventing modern slavery and human trafficking in its operation and supply chains.

## MIKIMOTO'S BUSINESS STRUCTURE AND OPERATIONS

---

The Company is a supplier and retailer of exclusive jewellery. We are a Japan based headquarter with operations in Asia, Middle East, United States of America and across Europe. We sell our own jewellery products direct to consumers via our own stores (Incl. on our owned website) and supply our products to wholesalers.

Suppliers to Mikimoto are selected and on-boarded in accordance with the criteria below, which includes supplier's reputation, compliance and respect of human rights, as set out by the Company.

Our supply chains include: suppliers of pearls, gold, diamond and other precious stones based in Japan, EU, Asia, Australia and Middle East.

## MIKIMOTO'S COMMITMENT

---

The Company joined the Responsible Jewellery Council ('RJC'), an international standard setting organisation for the jewellery and watch industry and obtained a Certified Member status under *the Code of Practice 2019* in August 2023. *The Code of Practice 2019* provides the requirements for the responsible ethical, human rights, social and environmental practices throughout the supply chain.

## POLICIES ON SLAVERY AND HUMAN TRAFFICKING

---

Mikimoto has the following policies in place for identifying and preventing slavery and human trafficking in its operations:

1. Human Rights Policy: This policy is intended to inform all employees and executives of the Company's responsibility to respect human rights and to have respect for human rights as action guideline for such employees and executives; to clearly indicate the Company's stance on the respect for human rights to suppliers and other business partners; and to respect human rights of all people involved in the Company's business and supply chains.
2. Employee's Code of Conduct and Compliance Code: respect for human rights and against discrimination and/or harassment, and general compliance to laws and regulations are included in both of the Codes to which every employee and executive is required to comply. A breach of the above Codes may give rise to a disciplinary action according to the Employee Handbook.
3. Corporate Ethics Hotline: Workers (regardless of the employment status) and executives have access to a direct contact to report in confidence any concern over compliance or issues regarding labour or harassment. Any concern over modern slavery or human trafficking can be reported to the Hotline. Whistle blowers who have reported a concern will be protected against any penalty or disadvantageous treatment.

## TRAINING

---

The Company explains to its workers the UK Modern Slavery Act 2015 and its significance at compliance training sessions. The Company also conducts training on RJC's Code of Practice 2019 to workers in charge of precious stones and bullion procurement and conducts a survey on how well they understood it.

## SUPPLIER DUE DILIGENCE

---

We understand that dealing with precious stones may involve high modern slavery risks and expect our suppliers will adhere to our values and not tolerate any slavery or human trafficking. Accordingly, the Company requests any future and existing key suppliers to sign a Due Diligence Form and Terms & Conditions and undertake that they are compliant with the OECD Due Diligence Guidance ANNEX II.

Especially for diamonds, we guarantee that all our diamonds are conflict-free; conflict diamonds are mined in war zones in African countries and sold to fund military action against governments. The Kimberley Process Certification Scheme was established in 2003 to put an end to the conflict diamond trade, and now you need a certificate issued by the country of origin to export or import rough diamonds. All participating countries must adhere to the System of Warranties that requires suppliers to provide warranty statements on all sales and purchase invoices for diamonds. We adhere rigorously to both the Kimberley Process and the World Diamond Council's voluntary System of Warranties.

In addition to the above, all the gold we use is from refiners accredited by the London Bullion Market Association (LBMA) to avoid contributing to conflict and human rights abuses. The LBMA is a London-based international trade association representing the global wholesale gold and silver market and responsible for maintaining benchmarks for all precious metals. It also accredits auditors and assurance providers to enable them to conduct Responsible Gold Audits. By trading with the most trusted and reliable suppliers, we ensure the quality and integrity of our gold.

## FURTHER STEPS

### TRAINING

---

We are considering awareness measures which cover the newly made Human Rights Policy. Specifically, we intend to widely inform within and outside the Company our responsibility to respect human rights and put it into practice by: providing access to on-demand training materials on our intranet to people concerned within the Company and distributing documents to our main suppliers and other business partners.

## SUPPLY CHAIN DUE DILIGENCE

---

We are aiming to implement more rigorous approaches to ensure our supply chains are committed to preventing modern slavery and human trafficking; we are working on reviewing the contracts and Terms & Conditions to provide contractual obligations on supply chains to ensure no modern slavery or human trafficking will happen within their supply chains, and we will first revise the existing due diligence. Specifically, we will reconsider our main suppliers and business partners, who will become subject to due diligence, by adding items on human rights to the due diligence form. Due diligence will be conducted on a regular basis (every 3 years).

## MONITORING

---

The Company continues to regularly monitor Mikimoto's policies and procedures along with compliance thereto and supervise regional operations in order to achieve the aim to prevent modern slavery within its business. With regard to the Human Rights Policy, the Company will report its progress at the Compliance Committee and the Risk Management Committee, both of which will be held twice a year.

This statement represents Mikimoto's modern slavery and human trafficking statement, concerning the period between 1 September 2022 to 31 August 2023 and was approved by the board of K. Mikimoto & Co., Ltd. on 29 September 2023.



Shinichi Nakanishi  
President  
K. MIKIMOTO & CO., LTD.  
September 29, 2023