

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 jewellery and watch industry, in August 2021, 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.

Furthermore, with regard to the Human Rights Policy (as explained in the next section), the progress and status of Mikimoto's commitment are reported at the Risk Management Committee and the Compliance Committee, both of which are attended by all executives and which are held twice a year.

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. The Human Rights Policy is publicly available on our website (https://www.mikimoto.com/jp_en/social-responsibility) which can be accessed by anyone.
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: All employees 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 distributes on its internal portal site the overview of its Human Rights Policy and the awareness-raising materials on respecting human rights, and takes surveys of people in managerial position. The Company also continuously promotes compliance to its employees including human rights, by means such

as making publicly available on its portal site the documents on harassment and protection of personal information, etc. and developing a check system to prevent money laundering.

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. In this regard, the Company has been conducting due diligence on any key suppliers and has been requesting them to agree with the OECD Due Diligence Guidance ANNEX II. The Company has also been requesting any key suppliers and other business partners for their understanding on the Company's responsibility to respect human rights by informing them of the Human Rights Policy of the Company.

Especially for diamonds, we guarantee that all our diamonds are conflict-free; conflict diamonds are mined in war zones 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, following this you need a certificate issued by the country of origin to export or import rough diamonds. There is also the System of Warranties that requires suppliers to provide warranty statements on all sales and purchase invoices for not only rough diamonds, but also polished 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 will continue to periodically raise awareness on respecting human rights. Specifically, in addition to providing employees with access to on-demand awareness-raising materials on our internal portal site, we will enhance awareness on respecting human rights by conducting group training with people concerned, and promote measures beneficial to our business.

SUPPLY CHAIN DUE DILIGENCE

We are aiming to implement more continuous approaches to ensure our supply chains are committed to preventing modern slavery and human trafficking; we will consider reviewing the existing due diligence to ensure no modern slavery or human trafficking will happen within our supply chains. We will also consider developing a mechanism which can further strengthen the group structure by sharing with our subsidiaries the status of our commitment to human rights.

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 continue to report its progress at the Compliance Committee and the Risk Management Committee, both of which will be held twice a year. The Company will also develop an internal system in order to renew the RJC certification which the Company obtained in August 2023.

This statement represents Mikimoto's modern slavery and human trafficking statement, concerning the period between 1 September 2023 to 31 August 2024 and was approved by the board of K. Mikimoto & Co., Ltd on 30 September 2024.



Shinichi Nakanishi
President
K. MIKIMOTO & CO., LTD.
September 30, 2024