



Scope: Modeling and Design Of Jewelry with Gold and Silver Precious Metals Production, Sale and Export

1. Policy Statement

Milan Jewellery recognizes the risks associated with the extraction, trade, handling, transport, and export of precious metals, particularly from Conflict-Affected and High-Risk Areas (CAHRAs). In line with its commitment to human rights, ethical business conduct, and responsible sourcing, Milan Jewellery adopts this Sustainable Procurement Policy to ensure that its procurement activities do not contribute to conflict, human rights abuses, or other serious violations.

As a member of the Responsible Jewellery Council (RJC), Milan Jewellery commits to full compliance with the RJC Code of Practices (COP) 2024, the OECD Due Diligence Guidance, and OECD Annex II Model Supply Chain Policy. This policy is communicated to suppliers and business partners to guide compliance and promote responsible practices throughout the supply chain.

Milan Jewellery complies with all applicable United Nations sanctions, international regulations, and national laws implementing such measures.

2. Purpose and Applicability

The purpose of this policy is to:

- Define Milan Jewellery's sustainable and responsible procurement principles
- Identify, prevent, and mitigate risks related to sourcing of precious metals
- Ensure procurement activities respect human rights and avoid conflict financing
- Establish clear expectations for suppliers, contractors, and business partners

This policy applies to:

- All procurement activities involving gold and silver
- All employees, management, agents, and consultants involved in procurement
- All suppliers, refiners, traders, and other business partners

3. Commitment as an RJC Member

Through independent external audits and internal management systems, Milan Jewellery demonstrates that it:

- Respects human rights in accordance with the Universal Declaration of Human Rights (UDHR) and ILO Declaration on Fundamental Principles and Rights at Work
- Does not engage in or tolerate corruption, bribery, money laundering, or terrorist financing
- Supports transparency in payments and transactions
- Does not provide direct or indirect support to armed groups
- Maintains an effective grievance and whistleblowing mechanism
- Implements risk-based due diligence for responsible sourcing from CAHRAs

4. Procurement Principles

Milan Jewellery adheres to the following principles in all procurement activities.



4.1 Zero Tolerance for Serious Abuses

Milan Jewellery applies zero tolerance to the following practices:

- Torture or cruel, inhuman, or degrading treatment
- Forced, bonded, or compulsory labour
- Child labour
- Human trafficking and modern slavery
- War crimes, violations of international humanitarian or human rights law
- Crimes against humanity or genocide

4.2 Avoidance of High-Risk Trade Relationships

Milan Jewellery refrains from engaging in procurement or trade relationships where there is a reasonable risk of involvement in human rights abuses, conflict financing, or other serious violations.

Where risks are identified, Milan Jewellery applies enhanced due diligence or refrains from sourcing.

4.3 No Support to Armed Groups

Milan Jewellery does not tolerate any direct or indirect support to non-state armed groups, including through procurement from entities that:

- Control mining sites, transport routes, or trading points
- Illegally tax or extort money or precious metals
- Illegally tax or extort intermediaries, exporters, or traders

4.4 Termination of Relationships with Non-Compliant Suppliers

Milan Jewellery will immediately suspend or terminate business relationships if it identifies a reasonable risk that a supplier:

- Is directly or indirectly linked to armed groups
- Is involved in serious human rights abuses
- Refuses to cooperate with due diligence or remediation efforts

4.5 No Support to Abusive Security Forces

Milan Jewellery commits to not providing direct or indirect support to public or private security forces that:

- Control or illegally tax mining sites or transport routes
- Engage in extortion or human rights abuses

4.6 Proper Role of Security Forces

Where security forces are engaged, their role must be limited to:

- Protecting workers, facilities, equipment, and goods
- Acting in accordance with the rule of law and internationally recognized human rights standards

4.7 Prohibition of Bribery and False Declarations



Milan Jewellery strictly prohibits:

- Offering, promising, giving, or soliciting bribes
- Falsification or concealment of the origin of precious metals
- False declarations regarding taxes, duties, tariffs, or royalties

4.8 Zero Tolerance for Money Laundering

Milan Jewellery prohibits any form of money laundering related to:

- Extraction
- Trade
- Transport
- Handling or export of precious metals

The company supports international efforts to combat financial crime.

5. Due Diligence and Risk Management

Milan Jewellery implements a risk-based due diligence system in line with:

- OECD Due Diligence Guidance (5-Step Framework)
- RJC COP 6

This includes:

- Supplier screening and risk assessment
- Enhanced due diligence where necessary
- Corrective action plans and remediation
- Ongoing monitoring and review

6. Training and Awareness

Milan Jewellery ensures that:

- Employees involved in procurement receive regular training
- Suppliers are informed of this policy and related expectations
- Awareness of CAHRA and Annex II risks is maintained

7. Enforcement and Accountability

All employees, agents, consultants, and business partners are required to comply with this policy.

Violations may result in:

- Disciplinary actions
- Suspension or termination of contracts
- Legal action where applicable

Senior management is responsible for oversight and enforcement.

8. Policy Review and Continuous Improvement

This policy is reviewed at least annually and updated to reflect:

- Changes in RJC COP standards
- Updates to OECD guidance
- Regulatory developments
- Lessons learned from due diligence activities

9. Conclusion

This Sustainable Procurement Policy reflects Milan Jewellery's commitment to ethical sourcing, human rights protection, and responsible supply chain management. Through robust due diligence, zero tolerance for abuses, and continuous improvement, Milan Jewellery aims to ensure that its procurement practices align fully with the RJC Code of Practices 2024 and international best practices.

APPROVED BY THE CEO AND THE BOARD OF DIRECTORS**Milan Hediyeelik Eşya Sanayi Ve Ticaret Anonim Şirketi**

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