

MAKAL CORPORATE RESPONSIBILITY POLICIES AND PROCEDURES

OUR PURPOSE

MAKAL was founded in 2018. The brand is built on two decades of pioneering the world's first mining and refining business to produce fully traceable gold from ethical mining operations and women-run artisanal gold cooperatives. MAKAL's founder, Daniela Colaiacovo, led the way with a business model featuring zero-waste extraction, chemical-free processing, and that included artisanal miners as business partners.

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MAKAL has established a truly ethical business, based on beliefs and principles inspired by the UN Sustainable Development Goals. MAKAL is not an exercise in clever branding, but rather built on years of credibility and integrity and a vision to bring mindful fine jewellery to the discerning, principled and individualistic customer.

The founder's family mine in Central America, from where MAKAL first sourced gold nuggets, was the first of its kind to be fully certified to the Responsible Jewellery Council's (RJC) Code of Conduct. Our suppliers are subject to our internal due diligence to ensure they are aligned with our environmental and social values. The diamonds in our collections are from RJC members and the coloured gemstones from producers that MAKAL has personally verified as meeting the highest industry standards. MAKAL's jewellery is set in Fairtrade certified gold and directly contributes to improving the working conditions of artisanal miners in South America and Africa.

We believe that a responsible business serves to protect its employees, the environment, and the workers in its supply chain, as well as creating value for our company's brand and our customers. We strive to create an environment where we go above and beyond to not just service but anticipate our customers' needs and requirements.

The following are our core sustainability and corporate accountability policies and procedures. Please review carefully and should you have any questions please contact Assheton Stewart Carter at a.carter@makal.com.

M A K A L

All the following policies and procedures will be maintained, be up to date, and reviewed annually or earlier if there is change in legislation, international standards, or business operations.

REVIEW/APPROVAL DATE:	REVIEWED/APPROVED BY:	SIGNATURE
1 st March 2020	Assheton Carter, CSO	<i>Assheton Stewart Carter</i>
30 th March 2020	Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>
5 th January 2021	Assheton Carter, CSO	<i>Assheton Stewart Carter</i>
10 th January 2021	Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>
15 TH June 2021	Assheton Carter, CSO	<i>Assheton Stewart Carter</i>
5 th July 2021	Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>
7 th September 2021	Assheton Carter, CSO	<i>Assheton Stewart Carter</i>
2 nd November 2021	Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>

MAKAL CORPORATE RESPONSIBILITY POLICIES

MAKAL is a jewellery manufacturer registered in London, UK and Rome, Italy. We have one shared home-office space in Queen's Gate Place, South Kensington, London SW7 5NT, United Kingdom. Currently, MAKAL does not employ full-time staff in either the UK or Italy.

MAKAL understands that our business policies and practices have the potential to affect people and the environment in and around facilities where we operate, as well as in the countries and communities from where the raw materials used in our products originate, and the towns and factories where they are manufactured. MAKAL carries out due diligence in the selection of suppliers and the sources of our materials.

We are committed to doing all we can to minimise any negative environmental impact and to ensure that our activities do not cause lasting or significant harm to people or planet.

These corporate responsibility policies include a code of business ethics and conduct, our policy to uphold industry best practices and standards, and our commitments to protect the environment, to respect and uphold human rights, and to support causes that deliver a positive impact in communities connected to our brand.

Our policies have been developed under a mandate of our executive management and were adopted by our CEO in March 2020. The policies are the basis for our way of doing business and of our ethical and legal behaviour. Executive management reviews our systems for managing environmental, social, and human rights risks and our operating practices at least once a year, to ensure they are adequate and appropriate. During this review, any changes to the policies deemed necessary will be made and approved by the management team. It is a requirement for all MAKAL executive management to read the Core Policies and respect their application.

1. Code of Business Ethics and Conduct

MAKAL's Code of Business Ethics and Conduct (the Code) is intended to affirm our commitment to fundamental responsible practices in business and to guide our workers, managers, and directors on how to conduct the company's activities. Respecting the law and avoiding legal violations are essential tenets of the Code. MAKAL provides a baseline for behaviour and legal compliance, covering at least the minimum that is required. The Code includes our stance on legal compliance, how we treat each other in the workplace, corruption, transparency and disclosure, and the integrity of our products.

- 1.1. Legal Compliance: MAKAL conducts all our activities in strict compliance with the national laws of the countries where we operate and with all relevant international conventions where those are applicable in the country of operation. We comply with all relevant UN sanctions, resolutions, and laws which include the UK, US and EU. It is the responsibility of our directors to know and keep abreast of changes to laws and regulations that affect our business.

Relevant procedures for this policy include OP1 and OP3

1.2. Our People and Workplaces: MAKAL respects and upholds all applicable legislation and regulations regarding employment of direct and contract workers and aims to ensure equal treatment of all our employees, based on merit and performance. We endeavour to have a safe and enjoyable workplace and as such expect our staff members to treat each other with respect. To that end:

1.2.1. Child and Forced Labour: MAKAL forbids any illegal child and forced labour.

1.2.2. Anti-Slavery and Human Trafficking: MAKAL has a zero-tolerance approach to Human Trafficking and acts of Slavery from occurring both within our business and in our supply chain. We conduct due diligence to ensure suppliers conform to all applicable laws and regulations, including those relating to Modern Slavery. Our procurement due diligence procedures detail the steps we take to identify and to mitigate the risks of slavery occurring in our business and supply chain.

1.2.3. Non-Discrimination: MAKAL prohibits all forms of discrimination in our workplaces and those of our suppliers. MAKAL does not discriminate employees based on race, caste, origin, religion, disability, gender, sexual orientation, union or political affiliation or age.

1.2.4. Whistleblowing and Grievances: MAKAL is committed to ensuring no person should be dismissed or penalised for disclosing serious concerns related to MAKAL or their employment within the organisation. We inform all our directors regarding anonymous whistleblowing and our grievance procedures.

1.2.5. Health and Safety: MAKAL is committed to a safe and healthy workplace and incorporating health and safety into organisational culture.

1.2.6. Freedom of Association: MAKAL supports the right of all workers and employees without exception to establish and join workers organisations, such as trade unions, without prior authorisation and without interference.

Relevant procedures for this policy include OP6 and OP18

1.3. Bribery, Corruption and Facilitation Payments: MAKAL prohibits bribery and improper payments to obtain a business advantage. Improper payments prohibited by this policy include bribes, kickbacks, excessive gifts, facilitation payments or any other payment made or offered to obtain an undue business advantage. This prohibition applies to all business activities, anywhere in the world, whether involving government officials or other commercial enterprises. Such payments are never acceptable and can expose individuals and MAKAL to possible criminal prosecution, reputational harm, or other serious consequences. This Policy applies to everyone at MAKAL, including all officers, and agents or other intermediaries acting on MAKAL's behalf.

MAKAL keeps books and records that reflect transactions and asset dispositions in reasonable detail, supported by a proper system of internal accounting controls. These

requirements are implemented through MAKAL's standard accounting rules and procedures, which all personnel are required to follow without exception. Special care must be exercised when transactions may involve payments to foreign officials. Off-the-books accounts are prohibited. Requests for false invoices or payment of expenses that are unusual, excessive, or inadequately described must be rejected and promptly reported to the CEO. Misleading, incomplete or false entries in MAKAL's books and records are not acceptable.

All officers and employees are responsible for understanding and complying with the Policy, as it relates to their jobs. Every officer has an obligation to:

- be familiar with applicable aspects of the Policy and communicate them to subordinates.
- ask questions if the Policy or action required to take in a particular situation is unclear.
- properly manage and monitor business activities conducted through third parties.
- be alert to indications or evidence of possible wrongdoing.
- promptly report violations or suspected violations through appropriate channels.

Any officer who has reason to believe that a violation of this Policy has occurred, or may occur, must promptly report this information to the CEO.

Retaliation in any form against anyone who has, in good faith, reported a violation or possible violation of this Policy is strictly prohibited.

The relevant procedure for this policy is OP11

- 1.4. Anti-Money Laundering and Know Your Counterpart:** In all our business dealings we conduct due diligence and follow the principles of "Know Your Counterpart" and maintain records of all our transactions to avoid working with organisations or individuals who are involved in the illicit movement of money. It is the policy of the company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable requirements under the Money Laundering Laws and Regulations and its implementing regulations.

MAKAL has standards and procedures for the selection, appointment and monitoring of suppliers. These standards and procedures are followed as closely as possible in all cases, with particular attention to "red flags" that may indicate possible legal or ethical violations. Due diligence ordinarily will include appropriate reference and background checks, written contract provisions that confirm a business partner's responsibilities, and appropriate monitoring controls. The presence of red flags in a relationship or transaction requires greater scrutiny and implementation of safeguards to prevent and detect improper conduct.

It should be noted, however, that MAKAL needs and uses specialist suppliers that are often sole traders and do not have sophisticated systems and cannot always provide documented information that meets the standards that is expected and common practices for larger companies. Where this is the case, MAKAL gathers as much information as possible and

endeavours to undertake visits to our suppliers (and potential suppliers) to verify their legal status and operating practices standards.

Our KYC/AML policies, procedures and internal controls are designed to ensure compliance with all applicable Money Laundering regulations are reviewed and updated regularly to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in our business.

AML/KYC Policy covers the following matters:

- verification procedures.
- identity verification.
- compliance officer.
- monitoring transactions.
- risk assessment.

The relevant procedures for this policy is OP11.

- 1.5.** Human Rights: MAKAL is committed to ensuring that all human rights are upheld in line with the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights regarding any other people who interact with the MAKAL.

We treat all people with dignity and respect and prohibit the use of any means of violence, sexual abuse, sexual harassment, corporal punishment, physical or verbal abuse. We recognise and respect the rights of workers to freely associate.

Our suppliers and subcontractors are required to comply with MAKAL policies on issues relating to upholding human rights.

MAKAL respects international standards for human rights by complying with the UN Guiding Principles on Business and Human Rights. We base our human rights policy commitment on the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

MAKAL takes steps to identify and address any actual or potential adverse impacts with which we may be involved whether directly or indirectly through our own activities or our business relationships.

MAKAL values the provision of effective remedy wherever there are human rights impacts. We will continue to build the awareness and knowledge of our directors and workers on human rights, including labour rights, encouraging them to speak up, without retribution, about any concerns they may have, including through our grievance mechanism.

The relevant procedures for this policy is OP11.

- 1.6. Product Integrity: We use natural and treated diamonds and coloured gemstones in our jewellery and use certification to ensure our supply chains remain free of synthetics.

The relevant procedures for this policy is OP11.

- 1.7. Transparency and Product Disclosure: MAKAL practices complete honesty and transparency in our business and follows the RJC Product Disclosure guidance.

The relevant procedures for this policy is OP11.

- 1.8. Environment: MAKAL is committed to the continual improvement of our environmental performance. We recognise the imperative to manage the risks of our activities in relation to energy and waste management in its supply chain.

The relevant procedures for this policy is OP11.

- 1.9. Community: MAKAL makes voluntary charitable donations to improve the wellbeing, health and social circumstances of communities.

The relevant procedures for this policy is OP11.

2. Policy on Industry Best Practices and the Responsible Jewellery Council

MAKAL is committed to keeping abreast of best practices in the industry covering environmental, social and governance aspects of our operations and apply relevant standards appropriate to our size and our position in the jewellery supply chain. To that end, MAKAL is a participant in the [Gemstone and Jewellery Community Platform](#) and a member of [the Responsible Jewellery Council \(RJC\)](#).

The RJC is a standards-setting organisation established to advance responsible ethical, human rights, social and environmental practices throughout the gold, silver, platinum group metals, diamond and selected coloured gemstone jewellery supply chains. The RJC has developed a benchmark standard for the jewellery supply chain and credible mechanisms for verifying responsible business practices through third-party auditing. As an RJC member, we commit to operating our business in accordance with the RJC Code of Practices. We commit to integrating ethical, human rights, social and environmental considerations into our day-to-day operations, business planning activities and decision-making processes.

We commit to proving, through independent third-party verification, that we:

- respect human rights according to the Universal Declaration of Human Rights and International Labour Organization Declaration on Fundamental Principles and Rights at Work.
- do not engage in or tolerate bribery, corruption, money laundering or finance of terrorism.
- support transparency of government payments and rights-compatible security forces in the extractives industry.
- do not provide direct or indirect support to illegal armed groups.
- enables stakeholders to voice concerns about the jewellery supply chain.

- is implementing the OECD five-step framework as a management process for risk-based due diligence for responsible supply chains of minerals from conflict-affected and high-risk areas.

3. Policy on Responsible Supply Chain and Sourcing

In MAKAL's business dealings, we expect our partners to adhere to business ethics consistent with our own as outlined by our Supplier Code of Conduct. We also commit to using our influence to prevent abuses by others. The following constitute MAKAL's commitment to contributing to the building of responsible supply chains through our sourcing practices.

- 3.1. Regarding due diligence: At the core of MAKAL's responsible supply chain and sourcing policy is due diligence. Due diligence is a continual process that requires particular attention at certain stages in our business activities, such as when we form new partnerships with a supplier or our operating conditions change, as these changes may create new potential or actual impacts on human rights and the environment.
- 3.2. Regarding serious abuses associated with the extraction, transport or trade of minerals in the supply chain: We will neither tolerate nor profit from, contribute to, assist or facilitate in our supply chains the commission of:
- torture, cruel, inhuman, and degrading treatment.
 - forced or compulsory labour.
 - the worst forms of child labour.
 - human rights violations and abuses.
 - war crimes, violations of international humanitarian law, crimes against humanity or genocide.
 - encroachment on legally protected or designated high conservation value areas.

irreversible harm to water courses, lakes, and oceans; forests; threatened or endangered species; and/or productive lands.

We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are committing abuses described in paragraph 3.2 or are sourcing from, or linked to, any party committing such abuses.

- 3.3. Regarding direct or indirect support to non-state armed groups: We do not tolerate direct or indirect support to non-state armed groups, including, but not limited to, procuring precious metals, minerals, diamonds, or gemstones from, making payments to, or otherwise helping or equipping non-state armed groups or their affiliates who illegally:
- control mine sites, transportation routes, or points where metals, minerals, diamonds, or gemstones are traded.
 - tax or extort money or precious metals, minerals, diamonds, or gemstones at mine sites, along transportation routes or at points where they are traded, or from intermediaries, export companies or international traders.

We will adhere to global trade sanctions that apply to the trade of relevant precious minerals.

We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are sourcing from, or are linked to, any party providing direct or indirect support to non-state armed groups as described in paragraph 3.3.

- 3.4.** Regarding public or private security forces: We affirm that the role of public or private security forces is to provide security to workers, facilities, equipment, and property in accordance with the rule of law, including law that guarantees human rights. We will not provide direct or indirect support to public or private security forces that commit abuses described in paragraph 3.2 or that act illegally as described in paragraph 3.3.
- 3.5.** Regarding bribery and fraudulent misrepresentation of the origin of minerals: We will not offer, promise, give or demand bribes, and will resist the solicitation of bribes, to conceal or disguise the origin of minerals, or to misrepresent taxes, fees and royalties paid to governments for the purposes of extraction, trade, handling, transport, and export of minerals.
- 3.6.** Regarding money laundering: We will support and contribute to efforts to eliminate money laundering where we identify a reasonable risk resulting from, or connected to, the extraction, trade, handling, transport, or export of minerals.
- 3.7.** Regarding sourcing from artisanal and small-scale mines (ASMs): MAKAL is committed to sourcing from ASMs in an ethical manner. Aware of the fact that ASM workers and the communities where they operate are often disadvantaged and associated with social and environmental issues, MAKAL implements an ASM sourcing procedure (see OP 8) which provides a framework for identifying risks associated with ASM, which include:
- The risks of sourcing from conflict-affected and high-risk areas.
 - The working conditions for ASM workers.
 - The risks associated with the use of mercury and other hazardous chemicals.
 - Environmental impacts.
 - The legal status of each ASM.

MAKAL develops a remediation plan to address the risks, should harmful practices be detected.

It is the policy of MAKAL to always provide fair commercial terms to the ASMs that we source from. This means that MAKAL uses practical and available tools to determine the price point at which our material is purchased, to ensure that our business relationships with the ASMs that we source from are reasonable.

MAKAL works with The Impact Facility for Sustainability Mining Communities, an international non-profit organization specialising in the development of ASM operations and their communities. We have partnered with The Impact Facility to build the capacity of women engineers in Kenya and make available mercury retorts to significantly reduce mercury emission at artisanal gold mines in Kenya.

1. Operating Procedure 1 (OP1) – Legal Compliance

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo, CEO</i>

1.1. Scope and Objectives

MAKAL complies with national laws and regulation for United Kingdom and Italy.

1.2. Key Personnel

The accountant for MAKAL is Bespoke Tax Accountants Limited.

1.3. Responsibilities

The CEO has the responsibility to ensure MAKAL keeps abreast of local laws and regulations through consultation with legal counsel and other outside professional advisors.

1.4. Procedure Steps

- 1.4.1. MAKAL continuously monitors and fully implements legislation, regulations and legally required codes or standards; permits, licences and any other forms of authorisation; local by-laws; and decisions, directions, rulings, or interpretations issued by relevant courts and tribunals.
- 1.4.2. MAKAL monitors and, when and where needed, seeks legal advice. Legal counsel helps us to interpret laws and regulations and to determine their impacts on our operations.
- 1.4.3. MAKAL regularly checks the International Labour Organization (ILO) NATLEX (www.ilo.org/dyn/natlex), a database of national labour, social security and related human rights legislation for applicable laws or changes.
- 1.4.4. MAKAL augments its knowledge of legal matters by seeking advice of legal counsel and from its accountants, Bespoke Tax Accountants, to:
 - Help us maintain a legal register of relevant and applicable laws and required licences and permits and reporting and disclosure obligations.
 - monitor and inform MAKAL of any ongoing developments in these requirements.
 - stay abreast of MAKAL's compliance status, and any future actions needed to remain compliant; and
 - inform MAKAL of any measures needed to correct potential non-compliances.

1.4.5. MAKAL's directors are aware of the role of its external counsel on legal matters and of their responsibility to seek counsel to fully understand what is required to ensure compliance.

1.4.6. MAKAL's directors are expected to always uphold the letter of the law and to familiarise themselves with applicable law and regulation.

1.4.7. MAKAL is a member of the Responsible Jewellery Council and of the Gemstone and Jewellery Community Platform. As members, we comply with membership requirements and have access to their guidance documents on legislation and regulation regarding diamonds and jewellery products.

2. Operating Procedure 2 (OP2) – Reporting

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo CEO	<i>Daniela Colaiacovo</i>

2.1. Scope and Objectives

MAKAL endeavours to communicate publicly and directly with stakeholders through our website, including those relevant to the RJC COP. Our website is continually kept up to date.

2.2. Key Personnel

The CEO

2.3. Responsibilities

The CEO has the responsibility to ensure that MAKAL communicates publicly and directly with stakeholders at least annually.

2.4. Procedure Steps

2.4.1. MAKAL uses emails to inform stakeholders about our business practices. As a small company, emails provide a practical and cost-effective way to communicate with stakeholders.

2.4.2. Communications with stakeholders happens at least once annually.

2.4.3. Evidence of such communication shall be kept electronically.

3. Operating Procedure 3 (OP3) – Financial Accounts

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Raffaella Rossi COO	<i>Raffaella Rossi</i>

3.1. Scope and Objectives

MAKAL ensures that all financial accounts and transactions are processed and recorded and maintains internal controls. The filing record of MAKAL can be viewed on the Company's House website.

3.2. Key Personnel

The COO

3.3. Responsibilities

The COO has the responsibility to ensure that internal controls on financial accounts and assessments of possible fraud are maintained.

3.4. Procedure Steps

- 3.4.1. MAKAL maintains financial accounts of all business transactions in accordance with national accounting standards, the process is overseen by a qualified accountant Bespoke Tax Accountants Ltd in accordance with the laws of England and Wales.
- 3.4.2. After the end of its financial year, MAKAL prepares full ('statutory') annual accounts and a Company Tax Return.
- 3.4.3. MAKAL accounts and tax returns meet deadlines for filing with HM Revenue and Customs (HMRC).
- 3.4.4. MAKAL financial accounts are exempted from audit exemption since it employs less than 50 employees and has an annual turnover of no more than £6.5 million (See <https://www.gov.uk/audit-exemptions-for-private-limited-companies>).

4. Operating Procedure 4 (OP4) – Business Partners

Created	1 st March 2020
Reviewed	15 th June 2021

Authorised by: Raffaella Rossi COO	<i>Raffaella Rossi</i>
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4.1. Scope and Objectives

MAKAL endeavours to use its influence, to the best of its ability, for the adoption of responsible business practices among its business partners, including its suppliers.

4.2. Key Personnel

The COO

4.3. Responsibilities

The COO, and all of Makal's officers, have the responsibility to ensure that MAKAL uses its influence to promote responsible business practices among its business partners.

4.4. Procedure Steps

- 4.4.1. MAKAL has established a Supplier Code of Conduct that outlines requirements for suppliers, contractors, subcontractors, and business partners.
- 4.4.2. The Supplier Code of Conduct is appended to contracts or other formal communications with business partners, contractors, subcontractors, and suppliers or communicated via email.
- 4.4.3. MAKAL identifies significant business relationships, including in its supply chain.
- 4.4.4. Risk assessments of the business partners are conducted to establish the level and nature of risks attributed to significant business relationships.
- 4.4.5. The Supplier Code of Conduct is communicated to suppliers, contractors and business partners and are required to comply with the requirements set out therein.
- 4.4.6. Suppliers, contractors, subcontractors, and business partners are required to acknowledge (for example, by email) the Supplier Code of Conduct to confirm their understanding and to give evidence how they comply with the Code. MAKAL monitors the suppliers on this basis.
- 4.4.7. From September 2021, business partners will be encouraged to sign-on to and actively participate in the Gemstone and Jewellery Community Platform and complete the assessment modules and share their performance results with MAKAL.

5. Operating Procedure 5 (OP5) – Human Rights

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo CEO	<i>Daniela Colaiacovo</i>

5.1. Scope and Objectives

MAKAL commits to respecting human rights and observing the UN Guiding Principles on Business and Human Rights.

This procedure establishes the standards that MAKAL's directors and managers should make sure that the business is able to prevent, mitigate, and manage potential and actual human rights impacts associated with its operations.

5.2. Definitions

Human rights impact: A negative human rights impact occurs when an action removes or reduces the ability of an individual to enjoy his or her human rights.

5.3. Responsibilities

CEO

MAKAL has designated the CEO, with the full responsibility for implementing the Human Rights Policy and this accompanying procedure.

5.4. Procedural Steps

5.4.1. The CEO reviews the Human Rights Policy annually.

5.4.2. The CEO, with the help of other company directors and external counsel, where appropriate, maps potential human rights impacts.

5.4.3. Designates of the CEO consults with internal and external stakeholders to identify and respond to potential or actual adverse human rights impacts of which the business may have contributed to, may have caused, or may have the potential to contribute to or cause. If adverse impacts are identified during this step of the assessment, the CEO will inform MAKAL's Chief Sustainability Officer.

5.4.4. If it is found that MAKAL has directly caused adverse human rights impacts, we will take all necessary steps to preventing the impact from occurring and/or mitigating it. If it is found that MAKAL has contributed to an adverse impact, for example by being associated

with a business partner that caused the impact, we will use our leverage to support the business partner in mitigating the risk or impact.

5.4.5. If it is found that MAKAL has directly caused or has contributed to adverse human rights impacts, CEO collects feedback, including feedback from impacted stakeholders, to better understand whether the activities undertaken to address human rights impacts are effective for preventing and mitigating the assessed impacts. Should the activities not be effective, the CEO will draft and then implement a corrective action plan.

5.4.6. MAKAL communicates externally to account for how the company has addressed the human rights impacts identified, particularly when concerns are raised by affected stakeholders. This is done by posting reports on our website.

6. Operating Procedure 6 (OP6) - Internal and External Grievance Procedure

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Raffaella Rossi, COO	<i>Raffaella Rossi</i>

6.1. Scope and Objectives

MAKAL is committed to ensuring a positive and effective working environment where people are treated fairly and with respect, in line with our values and principles. We recognise, however, that there may be occasions where concerns might emerge about employees or contractors work, working environment, or relationships with co-workers or external stakeholders. Most of these concerns are resolved informally. However, in cases where attempts to resolve grievances are unsuccessful, employees and contractors and external stakeholders are encouraged to seek redress for grievances through the formal grievance mechanism as outlined in this procedure.

6.2. Responsibilities

The COO is the designated administrator of grievances for ensuring that all grievances are dealt with effectively and in a timely manner and is also responsible for implementing and reviewing the procedure.

6.3. Procedural Steps

6.3.1. The grievance procedure will be followed if an employee or contractor or an external stakeholder feels that he or she has a grievance against the operation or decisions of MAKAL or another co-worker or manager, which affects his or her ability to perform his or her job satisfactorily or has been potentially harmed. The aim of the grievance procedure is to enable fair and quick resolution of any problem or grievance an employee, contractor may have related to his or her employment or contract or any

external stakeholder that has potentially experienced harm from MAKAL's business activities.

- 6.3.2. The complainant will raise the matter with MAKAL's COO or Directors. External stakeholders have a right to lodge grievances individually or in groups to MAKAL management. External stakeholders may at all stages in this procedure be advised or accompanied by a representative(s) of their choice and may elect to have this person or these persons present the complaint on their behalf.
- 6.3.3. The COO will acknowledge receipt of the grievance within two working days. The grievances shall be recorded on a grievance form. The COO will investigate the grievance and will do his or her best to resolve the matter as soon as possible and in any event within 10 working days.
- 6.3.4. The COO will keep a written record of any and each meeting, which will include details of the employee's, contractor's or stakeholder's case, the response, and the outcome of the meeting. The external stakeholder will be asked to sign the record of the meeting, after consultation with his or her representative, where applicable. Copies of the record will be given to everyone who attended the meeting.
- 6.3.5. Once the COO is satisfied that all the facts have been established, they will consider the case to reach a decision. The COO will notify the complainant of the outcome within 10 working days of concluding the investigation verbally and follow this up in writing. The written response will include reasons for the decision and will include notes of any investigation meetings and any other evidence that was gathered. If the grievance has been against another manager, they will also be advised of the outcome.
- 6.3.6. The complainant will be advised by the COO of the next stage at the end of every stage of the procedure.
- 6.3.7. Employees and contractors have the right to formally appeal against the outcome of the grievance if they are dissatisfied with it. Such an appeal should be done within 10 working days of receiving the written outcome of the grievance resolution. Should the

matter remain unresolved, the manager has the right to refer the case for external arbitration.

- 6.3.8. Time limits may be changed at every stage by mutual consent. The date and time of grievance inquiry will be agreed between the complainant, representative and the COO (and, where relevant, the person(s) who are the subject of the grievance).
- 6.3.9. Every effort will be made to resolve the grievance at each stage.
- 6.3.10. The proceedings will remain confidential to the complainant, his or her representative and the COO.
- 6.3.11. A summary of the grievance and the outcome, copies of correspondence and written records relating to the grievance will be kept on file.
- 6.3.12. The employee or external stakeholder will not suffer any form of retaliation for lodging a grievance.

7. Operating Procedure 7 (OP7) – Due diligence for responsible sourcing from conflict-affected and high-risk areas

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>

7.1. Scope and Objectives

To ensure that MAKAL establishes and implements the OECD due diligence guidance. Due diligence is an active process, which results in a responsible sourcing programme that is:

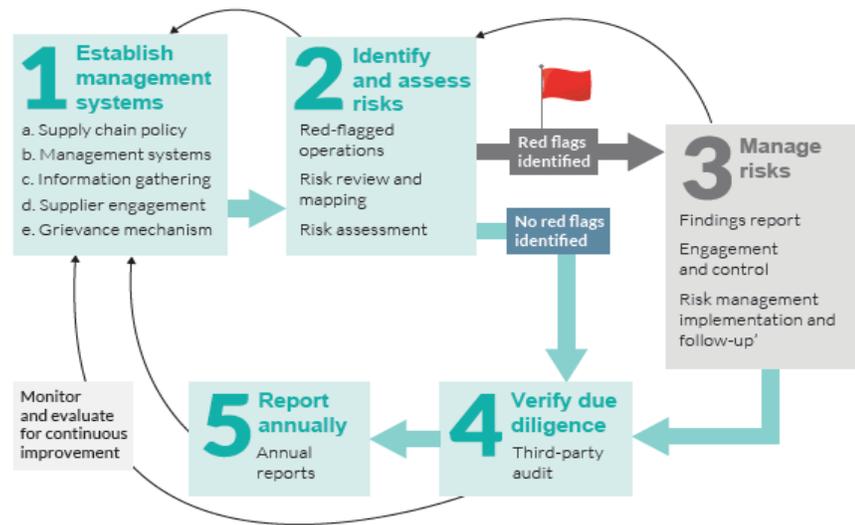
- Continuous: seamlessly integrated into a company's management systems and daily processes.
- Proactive: designed and implemented to identify and mitigate risks to prevent negative outcomes.
- Reactive: able to respond promptly to risks (both actual and potential).
- Risk-based: with a level of detail and effort that matches the potential risk in a company's supply chains.
- Allowing for continuous improvement: companies may be starting with very little understanding of risks in their supply chains and work to improve their systems and understanding over time.

7.2. Responsibilities

The CEO is the designated Compliance Officer is responsible for implementing and reviewing the procedure.

7.3. Procedural Steps

The OECD due Diligence Guidance comprises 5 steps namely (i) establish strong company management systems, (ii) identify and assess risks in the supply chain, (iii) design and implement a strategy to respond to identified risks, (iv) carry out independent third-party audit of smelter/refiner's due diligence practices, and (v) report annually on supply chain due diligence, see the figure below.



7.3.1. Step 1: MAKAL will establish strong company management systems through:

(a) Adopting the company's Policy on Responsible Supply Chain and Sourcing. MAKAL's compliance officer will ensure that MAKAL:

- Adopts the Policy on Responsible Supply Chain and Sourcing
- Communicates the policy to directors and business partners and the due diligence expectations are incorporated into contracts and existing policies and procedures.
- Endorses and signs the policy at the executive management level.
- Makes the policy publicly available.

(b) Structuring internal management to support supply chain due diligence:

- The Compliance Officer assigns authority and responsibility to directors with the necessary competence, knowledge, and experience to oversee the supply chain due diligence process.
- The Compliance Officer allocates adequate resources necessary to support the operation and monitoring of these processes.
- Business partners are informed of the policy.

(c) Establishing a system of controls and transparency over the mineral supply chain:

- Information regarding the form, type and physical description of mineral bearing materials is collected and maintained.
- The supplier is required to provide information regarding the weight and assay of mineral and mineral-bearing materials of input, and determinations of the weight and assay of mineral and mineral-bearing inputs and outputs.
- Supplier details, including “know your counterparty” (“KYC”) due diligence information is maintained for all the suppliers.
- Dates of input and output, purchases and sales are recorded.
- Payments made and received through official banking channels
- Full and transparent cooperation with law enforcement agencies regarding mineral transactions.
- When requested, allow customs officials access to complete information regarding all shipments that cross international borders.
- Above information will be maintained for a minimum of 5 years.

(d) Strengthening company engagement with suppliers:

- MAKAL establishes long-term relationships with suppliers/business partners, as opposed to short-term or one-off contracts.
- The Due Diligence expectations on responsible supply chains of minerals from conflict-affected and high-risk areas is communicated to all MAKAL’s suppliers.
- Compliance The provisions of the policy are incorporated into contracts and/or agreements with suppliers.

(e) Company level grievance mechanism:

- Allows any interested party (affected persons or whistle-blowers) to voice concerns regarding the circumstances of mineral extraction, trade, handling, and export in a conflict-affected and high-risk area is established and implemented.
- Protects whistle-blowers by allowing them to remain anonymous.
- Keeps an accurate and updated log of all grievances and follow-up actions.
- Develops a transparent process and procedure for responding to grievances and respond to all grievances in a timely and efficient manner.
- Follow up each grievance with a verifiable corrective action that can be monitored and assessed. If a grievance is dismissed without any follow-up, accurately log and record full justifications and details of any investigation.

7.3.2. Step 2 - Identifying and assessing risks in the supply chain. MAKAL will work with direct suppliers and other upstream companies, where appropriate, to:

(a). Identify and verify possible traceability or chain of custody information (e.g., mine of origin, trade routes, suppliers)

(b). Identify red flag locations, suppliers, or circumstances, and where deemed necessary and possible, undertake on-the-ground assessments to identify risks of contributing to conflict or serious abuses.

(c). Assessing risks in the supply chain, including a review of applicable standards:

- The principles and standards of the company supply chain policy, consistent with Annex II of the OECD Guidance.
- National laws of the countries where the company is domiciled or publicly traded (if applicable); of the countries from which the minerals are likely to originate; and of transit or re-export countries.
- Legal instruments governing company operations and business relations, such as financing agreements, contractor agreements, and supplier agreements.
- Other relevant international instruments, such as the OECD Guidelines for Multinational Enterprises, international human rights, and humanitarian law.

(d) Identifying Conflict-Affected and High-Risk Areas (CAHRAs)¹

- The figure below outlines the criteria used to identify a CAHRA.



- Makal is a participant in the Gemstone and Jewellery Community Platform and uses the resources on supply chain management hosted on this platform, including the tool for mapping supply chains to identify links with their origins and CAHRAs.
- Commission Recommendation (EU) 2018/1149 – The European Commission has published their non-binding guidelines for the identification of conflict-affected and high-risk areas and other supply chain risks under Regulation (EU) 2017/821 of the European Parliament and of the Council: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32018H1149>

¹ See Fig 2 below.

- Heidelberg Conflict Barometer – presence of armed conflict: <https://hiik.de/conflict-barometer/current-version/?lang=en>
- Control Risk Worldmap – security and political risks: <https://riskmap.controlrisks.com/-/media/43291d62ec9e4964beb6eb3e3a54a080.ashx>
- INFORM worldmap – humanitarian crisis (not limited to conflict or security issues): www.inform-index.org/Countries/Country-Profile-Map
- Sanctions Lists – to identify blacklisted companies / individuals
 - US OFAC Sanctions
 - UN Sanctions
 - Consolidated United Nations Security Council Sanctions List.
 - EU Sanctions
 - Comprehensive list of sanctions imposed by the European Union.

(e) Identifying companies in the supply chain.

- MAKAL makes best efforts to identify the smelters/refiners in our supply chain.
- MAKAL makes best efforts to assess whether the smelters/refiners have carried out all elements of due diligence for responsible supply chains of minerals from conflict-affected and high-risk areas.
- Where necessary and possible, MAKAL will carry out joint spot checks at the mineral smelter/refiner's own facilities.

7.3.3. Step 3: Design and implement a strategy to respond to identified risks. If potential or actual risks are identified in the supply chain, MAKAL will:

(a). Report findings to MAKAL's directors, outlining the information gathered and the actual and potential risks identified in the supply chain. The risks will be managed by:

- continuing to do business activities with the responsible entity while putting in place practices to mitigate the risk.
- temporarily suspending business activities with the responsible entity while pursuing ongoing measurable risk mitigation.
- disengaging with the supplier in cases where mitigation appears not feasible or unacceptable.

7.3.4. Step 4: Carry out independent third-party audit of smelter/refiner's due diligence practices. Where possible, MAKAL will request evidence of third-party audits from smelters and refiners in the supply chain. It will be the responsibility of the smelters and refiners to:

- Plan an independent third-party audit of the smelter/refiner's due diligence for responsible supply chains of minerals from conflict-affected and high-risk areas.
- Determine the scope of the audit to include all activities, processes and systems used by the smelter/refinery to conduct supply chain due diligence of minerals from conflict-affected and high-risk areas.

- Determine the audit criteria to ensure conformity of the smelter/refinery due diligence process against the standards and processes of this due diligence guidance.

7.3.5. Step 5: Reporting annually on supply chain due diligence

MAKAL will report any actual risks identified in its supply chain and the actions taken to address such risks.

8. Operating Procedure 8 (OP8) – Sourcing directly from artisanal and small-scale mining

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Assheton Carter, CSO	<i>Assheton Stewart Carter</i>

8.1. Scope and Objectives

In our Sourcing from Artisanal and Small-scale Mines (ASMs) Policy, we recognise the importance of sourcing ethically from ASMs. We further recognize that we are in a unique position to contribute positively to the development of ASMs and the communities wherein they operate. The purpose of this procedure is to articulate our commitment by providing a framework for the implementation of our Sourcing from ASMs Policy and System. This procedure establishes the standards that MAKAL observes to make sure that the business is, where applicable, sourcing from ASMs in an ethical manner.

8.2. Definitions

Artisanal and small-scale mining (ASM): ASM refers to formal or informal operations by individuals, groups, families, or cooperatives that can involve up to hundreds of thousands of miners. ASM typical requires little capital, intense labour and may be carried out with small machinery or no machinery at all. The exact definition of ASM varies from country to country, depending on national legislation. 'Artisanal' versus 'small' may, for example, depend on a mining organisation's volume of production of ore or mineral, the size of its concessions or the level of mechanisation. Risk assessment: A risk assessment is a systematic process of evaluating the potential risks that may be involved in a projected activity. Here, it is referenced as a tool to identify and characterise activities occurring at a particular ASM that may cause adverse impacts on humans and the environment.

8.3. Responsibilities and Governance

MAKAL has designated the CSO with full responsibility for implementing the policy on sourcing from ASM.

8.4. Procedural Steps

8.4.1. Risk Assessment: MAKAL uses in-house expertise and partners with experts to routinely undertake risk assessments of all ASM suppliers that considers the following risks:

- The risks of sourcing from conflict-affected and high-risk areas.
- Working conditions.
- The use of mercury and other toxic chemicals.
- Environmental impact.,
- The legal status of the mine.

This risk assessment is consistent with MAKAL's overall due diligence efforts to ensure that we are not unknowingly contributing to conflict. We subscribe to the OECD's Due Diligence Guidance for Responsible Supply Chains when sourcing from high-risk countries or regions.

8.4.2. Remediation: MAKAL's remediation process is an integral component of our risk assessment. Should harm be detected during a risk assessment, we have in place a remediation plan wherein solutions range from connecting the ASM with local expertise (for example, in the case that the mine is not operating with all required licenses) to terminating all business relationships (for example, if it is detected that the ASM is being used to launder money or fund terrorist activities).

8.4.3. Fair Commercial Terms: MAKAL provides fair commercial terms to all ASM suppliers. MAKAL always offers to purchase gold according to the world market price. For other material sourced, MAKAL uses practical and available tools to determine the price point at which our material is purchased, to ensure that our business relationship(s) with the ASM(s) that we source from are reasonable. Other common practices that we endorse including the following:

- Guaranteeing our ASM suppliers a certain volume of purchases.
- Providing upfront financing.
- Guaranteeing an agreed frequency of payments.

8.4.4. Development Initiatives: MAKAL recognizes that are we in a unique position to support the development of the ASM communities from which we source. We therefore partner with experts and use in-house expertise to provide training and local capacity building for these ASM communities.

8.4.5. Monitoring: The CSO observes the Sourcing from ASMs system to continuously monitor risks and ensure that our system is operating ethically and in alignment with international best practice standards.

9. Operating Procedure 9 (OP9) – Community Development and Charitable Donations

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo, CEO	<i>Daniela Colaiacovo</i>

9.1. Scope and Objectives

MAKAL seeks to contribute to the communities with which we are connected through our supply chain through supporting community initiatives and, in particular, women in mining. MAKAL's executive management is responsible for agreeing and administering the charitable donations budget.

9.2. Key Personnel

CEO, Daniela Colaiacovo

9.3. Responsibilities

The CEO ensures donations are managed and budgeted.

9.4. Procedure Steps

- 9.4.1. 4.1 MAKAL identifies communities the company is interested in and those that are affected by company activities.
- 9.4.2. 4.2 We consider how MAKAL could maximise its positive impact in communities, through both philanthropy and supply chain actions. All directors are encouraged to make suggestions or proposals as to suitable charitable causes, for evaluation by the CEO.
- 9.4.3. The CEO will set an annual budget for corporate giving.
- 9.4.4. The executive management will decide how to allocate corporate donations on an annual basis.
- 9.4.5. Donations are generally less than £3000 per charity.
- 9.4.6. Suitable organisations must be doing charitable work in one of the following areas:
 - jewellery-related
 - social welfare

9.4.7. MAKAL does not fund:

- individuals who are looking for sponsorship for fundraising activities
- initiatives that involve people participating in dangerous activities, such as bungee jumping or parachuting
- political organizations and campaigns
- any initiative that is outside of the criteria outlined above

10. Operating Procedure 10 (COP10) – Bribery and facilitation Payments

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniea Colaiacovo, CEO	<i>Daniela Colaiacovo</i>

10.1. Scope and Objectives

MAKAL values its reputation for ethical behaviour and recognises that any involvement in bribery and facilitation payments is illegal and will reflect adversely on its image and reputation.

MAKAL prohibits the offering, giving, soliciting or the acceptance of any bribe in whatever form to or from any person or company, public or private by any board member, member of staff, contractor, consultant, agent, overseas agent, and any non-employee service provider engaged on MAKAL business for whatever reason.

The prevention, detection and reporting of bribery is the responsibility of all staff, this procedure includes dealings with contractors, agents, and business partners; gifts and hospitality; reporting bribery, corruption, and suspected non-compliance with the procedure. Employees will not be any penalized or suffer adverse consequences for identifying in good faith concerns related to suspected Bribery, for refusing to participate in Bribery, or refusing to pay a Facilitation Payment.

Bribery – The offering, promising, or giving, as well as demanding or accepting of any undue advantage, whether directly or indirectly, to or from:

- A public official;
- A political candidate, party or official; or
- Any private-sector employee (including a person who directs or works for a private sector enterprise in any capacity).

Facilitation Payment - Facilitation payments are paid to receive preferential treatment for something that the payment receiver is otherwise still required to do.

10.2. Key Personnel

CEO, Daniela Colaiacovo

10.3. Responsibilities

It will be the responsibility of the CEO to ensure the procedure is read and understood by all employees who interact with suppliers.

10.4. Procedure Steps

- 10.4.1. MAKAL prohibits bribery in all business practices and transactions carried out by themselves and by agents acting on their behalf. The policy covers political donations and similar or equivalent) contributions.
- 10.4.2. The CEO is aware of the applicable law, including the extraterritorial reach of legislation and seeks advice from qualified legal advisors where required.
- 10.4.3. All employees will be required to read and understand the anti-bribery policy and procedure.
- 10.4.4. MAKAL will undertake annual bribery, corruption, and facilitation payments risk assessments.
- 10.4.5. Staff may not, directly or through others, offer or give any, money, gift, hospitality, or other thing of value to an official, employee or representative of any supplier, customer government official or any other organisation, if doing so could reasonably give the appearance of influencing the organisation's relationship with MAKAL.

Staff may, with management approval:

- Give gifts of up to £100 value.
- Provide meals and other entertainment at venues outside of MAKAL' premises, provided that the expenses are kept at a reasonable level. For the avoidance of doubt, the per capita cost of a meal should not exceed £50.
- Provide meals and overnight accommodation at hotels where these are reasonable and in the normal course of MAKAL business or events.
- All gifts provided are required to be logged in the gifts register.

Directors or any member of their family should not, directly or through others, solicit or accept money, gifts, hospitality, or anything else that could influence or reasonably give the appearance of influencing the relationship with that organisation or individual.

Gifts or hospitality may not be accepted, irrespective of value, which might influence or be seen to influence the award of business (contract), or to benefit personally or for the benefit of any person connected to that person.

Unless you have been informed otherwise you may accept:

- A gift of nominal value, when it is customarily offered to others having a similar relationship with that individual or organisation.
- Customary meals or entertainment provided that the expenses are kept at a reasonable level.

For the avoidance of doubt:

- Gifts and hospitality more than £100 should be authorised by the CEO.
- All gifts received are required to be logged in the gifts register.

If an excessive gift or hospitality is found to have been accepted, then the CEO will discuss the circumstances with the directors and agree how to deal with it e.g., a gift can be returned, or steps can be taken to ensure that the acceptance of hospitality does not influence a decision or situation in favour of the giver. If excessive gift(s) or hospitality are accepted on more than one occasion or are found to have influenced decisions inappropriately, against company policy (or potentially illegally), then appropriate disciplinary procedures will be followed.

- 10.5. MAKAL therefore keeps accurate books and records that reflect transactions and asset dispositions in detail, supported by a proper system of internal accounting controls.
- 10.6. All directors are required to follow standard accounting rules and procedures, which all without exception.
- 10.7. MAKAL prohibits all forms of Off-the-books accounts
- 10.8. Misleading, incomplete, or false entries in MAKAL's books and records are not acceptable.
- 10.9. If you know of, or have good reason to suspect that, an unlawful or unethical situation or that you suspect that either an act of bribery or non-compliance to this procedure or the MAKAL Core Policy has occurred; you should report the matter to the CEO. Should reporting in this way be inappropriate, you should refer to the section on whistleblowing and grievances.
- 10.10. The CEO is responsible for investigating all reports of bribery, corruption, and facilitation payments. If a responsible person believes they require extra training to investigate the report effectively then they should request this from the CEO. Any director deemed to have breached this procedure; the core policy or the values of MAKAL should have appropriate sanctions applied. The nature of these sanctions should be proportionate with the nature of the incident and MAKAL disciplinary procedure (disciplinary action, up to and including

dismissal). If a legal offence has been committed, then this should be reported to the authorities.

10.11. The CEO should log all reports and incidents of attempted and actual bribery/corruption and the investigative steps taken including outcomes/sanctions. The CEO should inform the Directors to ensure transparency and allow for appropriate management decisions.

10.12. All directors are made aware of this procedure.

11. Operating Procedure 11 (COP11) – Know Your Counterpart (KYC): Anti-Money laundering and Finance of Terrorism

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo CEO	<i>Daniela Colaiacovo</i>

11.1. Scope and Objectives

Accountability and transparency are crucial to MAKAL. MAKAL operates a 'Know Your Counterpart' procedure to ensure money laundering is always avoided.

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. Generally, money laundering occurs in three stages. Cash first enters the financial system at the "placement" stage, where the cash generated from criminal activities is converted into monetary instruments, such as money orders or traveller's checks, or deposited into accounts at financial institutions. At the "layering" stage, the funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin. At the "integration" stage, the funds are reintroduced into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses.

Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal either the origin of the funds or their intended use, which could be for criminal purposes. Legitimate sources of funds are a key difference between terrorist financiers and traditional criminal organizations. In addition to charitable donations, legitimate sources include foreign government sponsors, business ownership and personal employment. Although the motivation differs between traditional money launderers and terrorist financiers, the actual methods used to fund terrorist operations can be the same as or similar to methods used by other criminals to

launder funds. Funding for terrorist attacks does not always require large sums of money and the associated transactions may not be complex.

11.2. Key Personnel

CEO, Daniela Colaiacovo is the nominated compliance person for MAKAL.

11.3. Responsibilities

MAKAL has designated the CEO as its anti-money Laundering Program compliance person, with full responsibility for the company's AML program. The CEO has a working knowledge of the Money Laundering Regulations and its implementing regulations. The AML Compliance Person will also ensure that the firm keeps and maintains all of the required AML records and will ensure that Suspicious Activity Reports (SAR) are filed with when appropriate. The AML Compliance Person is vested with full responsibility and authority to enforce the firm's AML program.

Purchases and orders are processed by the COO.

Invoices are processed the COO.

11.4. Procedure Steps

- 11.4.1. The CEO will respond to a Serious Fraud Office request concerning accounts and transactions by immediately searching MAKAL's records to determine whether we maintain or have maintained any account for, or have engaged in any transaction with, each individual, entity or organisation named in the request.
- 11.4.2. MAKAL understand that the receipt of a Witness Summons concerning a customer does not in itself require that we file a Suspicious Activity Report (SAR). When we receive a Witness Summons, The CEO will conduct a risk assessment of the customer subject to the summons as well as review the customer's account activity. If suspicious activity is uncovered during our risk assessment and review, the CEO will elevate that customer's risk assessment and file a SAR in accordance with the SAR filing requirements. MAKAL understand that none of our officers, employees or agents may directly or indirectly disclose to the person who is the subject of the summons, of its existence, its contents or the information we used to respond to it. To maintain the confidentiality of any grand summons we receive, the CEO will process and maintain the summons. If we file a SAR after receiving a Witness Summons, the SAR will not contain any reference to the receipt or existence of the subpoena. The SAR will only contain detailed information about the facts and circumstances of the detected suspicious activity.
- 11.4.3. When a new supplier wishes to do business with MAKAL, the CEO will check to ensure that a supplier does not appear on the Financial Sanctions Target's List or is not engaging in transactions that are prohibited by the economic sanctions and

embargoes administered and enforced by The Office of Financial Sanctions Implementation (OFSI).

- 11.4.4. Because the list and listings of economic sanctions and embargoes are updated frequently, the CEO will consult them on a regular basis and subscribe to receive any available updates when they occur. With respect to the list, CEO may also access that list through various software programs to ensure speed and accuracy.
- 11.4.5. The CEO will also review existing trade accounts against the list and listings of current sanctions and embargoes when they are updated.
- 11.4.6. If MAKAL determines that a supplier is on the list or is engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by OFSI, the CEO will reject the transaction. We will also call OFSI immediately. Our review will include customer accounts and transactions.
- 11.4.7. Suppliers are required to complete KYC and AML forms which requires information about name of counterparty (company/organisation/individual), Registered address, Business address, Contact person and information, Date and country of incorporation, Business registration number, Names of parent company and subsidiaries, Description of core business activity (including sources of materials), Beneficial owners (subject to risk level), Shareholders, Board of directors, Management structure, Government, military or political affiliations and Financial information, Copies of relevant policies (that is, KYC policy, supply chain policy among others).
- 11.4.8. MAKAL maintains records for either five years minimum or as long as required by national legislation, whichever is longer.

3.7.1. Identity verification: MAKAL's identity verification procedure requires the counterparts to provide MAKAL with reliable, independent source documents, data or information which might include but is not limited to:

- name of counterparty (company/organisation/individual),
- registered address,
- business address,
- contact person and information,
- date and country of incorporation,
- business registration number,
- names of the parent company and subsidiaries,
- description of core business activity (including sources of materials, e.g. country and geographical sources),
- beneficial owners (subject to risk level),
- shareholders,
- board of directors,
- management structure,
- government,
- military or political affiliations,
- financial information,
- copies of relevant policies (e.g. KYC policy, supply chain policy).

MAKAL will take steps to confirm the authenticity of documents and information provided by the counterpart. All legal methods for double-checking identification

information will be used and MAKAL reserves the right to investigate certain customers who have been determined to be risky or suspicious.

3.7.2. Monitoring Transactions: MAKAL performs regular checks of customers against recognized “blacklists” and monitors transactions to:

- ensure that transactions of suspicious nature are reported to the proper law enforcement through the Compliance Officer.
- request the customer to provide any additional information and documents in case of suspicious transactions.

3.7.3. Risk Assessment: MAKAL, in line with the international requirements, has adopted a risk-based approach to combating money laundering and terrorist financing. By adopting a risk-based approach, MAKAL can ensure that measures to prevent or mitigate money laundering and terrorist financing are commensurate to the identified risks. This will allow resources to be allocated in the most efficient ways. The principle is that resources should be directed in accordance with priorities so that the greatest risks receive the highest attention.

12. Operating Procedure 12 (OP12)– Provenance Claims

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: XXX Daniela Colaiacovo CEO	<i>Daniela Colaiacovo</i>

12.1. Scope and Objectives

MAKAL is committed to ensuring that all provenance claims it makes are truthful and representative of the systems in place to ‘deliver’ on the claim. MAKAL will not make misleading or deceptive claims.

12.2. Responsibilities

The CEO is responsible for the review and implementation of this procedure.

12.3. Procedure Steps

12.3.1. The CEO will review all advertising, marketing, sales-related documentation, product invoices and any other type of communications to ensure that the provenance

claims made for gold, diamond and gemstone products are truthful and representative of the systems in place to 'deliver' on the claim.

- 12.3.2. Proper inventory control will be maintained.
- 12.3.3. When appropriate, additional information will be made available to interested parties and customers who ask about the provenance claims.
- 12.3.4. The CEO is responsible for managing complaints related to provenance claims; all complaints made relating to provenance claims will be recorded.

13. Operating Procedure 13 (OP 13) Harassment, discipline, grievance procedures and non-retaliation

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniela Colaiacovo CEO	<i>Daniela Colaiacovo</i>

13.1. Scope and Objectives

MAKAL is committed to providing a work environment that provides employees equality, respect, and dignity. In keeping with this commitment, the Company has adopted a policy of "zero tolerance" about employee harassment. Sexual harassment applies equally to men and women. Harassment is defined as an unwelcome conduct that is based on race, colour, religion, sex (including pregnancy, sexual orientation, and gender identity), national origin, age, disability or genetic information.

Such conduct may include but is not limited to: subtle or overt pressure for sexual favours; inappropriate touching; lewd, sexually oriented comments or jokes; foul or obscene language; posting of suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons; and repeated requests for dates. Company policy further prohibits harassment and discrimination based on sex stereotyping.

This policy applies to all aspects of MAKAL operations. Harassment of any other person, including, without limitation, fellow colleagues, contractors, visitors, clients, or customers, whether at work or outside of work, is prohibited.

Every complaint received will be promptly, thoroughly, and impartially investigated, and resolved appropriately. The company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation.

13.2. Key Personnel

CEO, Daniela Colaiacovo

13.3. Responsibilities

It is the responsibility of the CEO to ensure the procedure is implemented.

13.4. Procedure Steps

- 13.4.1. Internal and external stakeholders should report incidents of inappropriate behaviour or sexual harassment as soon as possible after the occurrence. Anyone who believe they have been harassed, regardless of whether the offensive act was committed by a director, customer, visitor, or client, should promptly notify the CEO. The Company prohibits retaliation against any employee who files or pursues a harassment claim.
- 13.4.2. Upon receipt of complaint, MAKAL will take any interim actions, as appropriate.
- 13.4.3. MAKAL can request and review all relevant documents and information.
- 13.4.4. MAKAL can interview all parties involved, including relevant witnesses.
- 13.4.5. MAKL will keep relevant documents and information in a secure and confidential location.
- 13.4.6. MAKAL will promptly notify the individual who complained and the individual(s) about whom the complaint was made of the final determination and implement corrective actions, as appropriate.
- 13.4.7. If a complaint alleges Sexual Assault, MAKAL will report the complaint to local law enforcement for investigation.

14. Operating Procedure 14 (OP14)-Environmental Management

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniea Colaiacovo CEO	<i>Daniela Colaiacovo</i>

14.1. Scope and Objectives

MAKAL acknowledges the importance of protecting environmental values and recognising obligations, both locally and globally, to present and succeeding generations. Through its planning and practice, MAKAL is committed to bringing about improved environmental practices and a greater awareness and understanding of environmental sustainability within its supply chain.

14.2. Responsibilities

It is the responsibility of the CEO to ensure that the procedure is implemented.

14.3. Procedure Steps

- 14.3.1. Keep a register of legislation which will include references to the current applicable legislation related to the business and its activities. The registered will be updated whenever necessary and will be reviewed annually to ensure that it is current.
- 14.3.2. Identify environmental risks of MAKAL's supply chain, where possible and appropriate.
- 14.3.3. MAKAL will endeavour to influence the implementation of controls and mitigation measures from the risk assessment to mitigate identified environmental risks and significant environmental impacts, and to improve environmental performance in its supply chain.
- 14.3.4. MAKAL will endeavour to minimise or eliminate our negative environmental impacts and use of resources within its supply chain;
- 14.3.5. MAKAL will actively promote and encourage the adoption of environmentally sustainable work practices within its supply chain.

15. Operating Procedure 28 (COP28) – Product Disclosure

Created	1 st March 2020
Reviewed	15 th June 2021
Authorised by: Daniea Colaiacovo CEO	<i>Daniela Colaiacovo</i>

15.1. Scope and Objectives

MAKAL does not make untruthful, misleading or deceptive representation, or make any material omission in the selling, advertising or marketing of any jewellery products or treated, reconstructed, composite, or simulant diamonds or coloured gemstones. MAKAL discloses information on the physical characteristics of the products it markets or sells in line with the law.

15.2. Responsibilities

The CEO is responsible for ensuring that this procedure is implemented and checking all records to ensure that they are in line with the procedure.

15.3. Key Personnel

CEO, Daniela Colaiacovo

15.4. Procedure steps

- 15.4.1. The CEO ensures that MAKAL complies with national and international requirements regarding product disclosure.
- 15.4.2. MAKAL ensures that artificial products used to imitate the appearance of diamonds or coloured gemstones without having their chemical composition, physical properties and/or their structure, are disclosed as “imitation” or “simulant” along with the correct name of the material of which it is composed and checking all record-keeping procedures ensures that the description is equally conspicuous as the word “diamond”.
- 15.4.3. MAKAL reviews marketing materials to ensure that they do not contain any potentially misleading or deceptive information and that they comply with the law.
- 15.4.4. MAKAL applies all applicable precious metal quality marks and hallmarks.