

POLICY STATEMENT

To Significant Business Partners, Suppliers and Service Providers of Myer Jewelry Manufacturer Ltd. on Responsible Business Practices

We, Myer Jewelry Manufacturer Limited (“Myer”), are a registered member of Responsible Jewelry Council (“the RJC”) and are committed to operating our business in accordance with the Code of Practices as stipulated by the RJC. Our significant policies as highlighted below and briefly explained in the annex are based on the responsible business practices required by the RJC. We strictly adhere to these policies and will make every effort to work with all our business partners, suppliers and service providers in order to reach the standards set out in the Code of Practices. We share these with your esteemed company in the truly expectation of your meeting to these requirements under the Code of Practices for our mutual benefits of trade business.

Myer’s Significant Policies of Business :

- Comply with the relevant international laws and industry regulations when sourcing our raw materials or products and insist on written guarantees from suppliers that their materials or products supplied to us conform with international regulations on genuineness, quality standard and legitimate source; Maintain track records for the raw material or product sourced;
- Maintain “know your customer” principle based system to identify, decline and report unusual or suspicious activity triggering risk of offences against applicable local or international laws on money laundering and finance of terrorism;
- Respect human rights in the process of recruitment, employment and training of employees. Ensure equal opportunity, non discrimination nor harassments, and freedom of association and collective bargaining to all the employees;
- Provide and maintain workplace safe and healthy for employees in compliance with applicable local laws and regulations of occupational health and safety for ensuring ongoing quality and production efficiency;
- Comply with all applicable environmental protection laws and minimize the adverse impact of the manufacturing or operational process on the environment and the local community; Promote environmental protection by raising the employee’s awareness of resources saving and efficient use of energy;
- Prohibit any and all forms of corruption, extortion, embezzlement, bribery, kickbacks, gifts including any payments or other forms of benefits conferred on any government official for the purpose of influencing decision making in violation of law or against the company’s interest.

Acknowledged receipt of above Policy Statement by

(Company name: _____):-

Signature and Company Stamp

Date : _____

ANNEX TO POLICY STATEMENT

To Significant Business Partners, Suppliers and Service Providers of Myer Jewelry Manufacturer Ltd. on Responsible Business Practices

(1) ABOUT RESPONSIBLE JEWELLERY COUNCIL POLICY

(2) MAJOR POLICIES BASED ON RJC'S CODE OF PRACTICES:

(2.1) RESPONSIBLE SUPPLY CHAINS

(2.2) MONEY LAUNDERING AND FINANCE OF TERRORISM

(2.3) LABOR AND HUMAN RIGHTS

(2.4) HEALTH AND SAFETY

(2.5) ENVIRONMENTAL PROTECTION

(2.6) BUSINESS ETHICS

(1) ABOUT RESPONSIBLE JEWELLERY COUNCIL POLICY

Myer Jewelry Manufacturer Limited (“Myer”) has been established as a jewelry manufacturer and exporter since 1977 and now has approximate 700 employees working in Hong Kong and at Shenzhen in the People’s Republic of China.

Myer is a Member of the Responsible Jewellery Council (the “RJC”).

The RJC is an international, not-for-profit standards-setting organisation that has been established to advance responsible ethical, social and environmental practices, which respect human rights, throughout the diamond, gold and platinum group metals jewellery supply chain, from mine to retail.

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, Myer commits to operating its business in accordance with the RJC Code of Practices. Myer commits to integrating human rights, ethical, social and environmental considerations into its day-to-day operations, business planning activities and decision making processes.

(2.1) RESPONSIBLE SUPPLY CHAINS

PRODUCT DISCLOSURE

- Myer shall not make any untruthful, misleading or deceptive representation, or make any material omission in the selling, advertising or marketing of any Diamond, Synthetic or Simulants, and/or any color stone, and/or any Gold, and/or any Platinum Group Metals Jewellery Products.
- Myer shall comply with applicable law when disclosing information on the physical characteristics of Diamonds, Synthetics or Simulants, Gold and/or Platinum Group Metals.

GOLD

- All supplies of gold used in Myer's production shall be conflict free.
- Myer shall purchase fine gold bars only from London Billion Manufacturing Association ("LBMA") approved London Good Delivery Gold Refiners ("Approved Gold Refiners") which must comply with the LBMA's Responsible Gold Guidance set up in order to combat serious abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice. The refineries of all the gold scraps from the manufacturing process shall be done by the Approved Gold Refiners.
- For karat gold parts, Myer shall insist on written guarantees from the suppliers that all the product they supply to Myer are made from physical gold exclusively produced by LBMA approved London Good Delivery Gold Refiners.
- Quality accreditation certificates or written guarantee of gold suppliers and the transaction documents such as delivery notes, bar certificates and invoices shall be fully documented and maintained.

DIAMOND

- All of Myer's diamonds shall be acquired from legitimate sources which have no involvement in funding conflicts. Myer shall prohibit knowingly buying or selling conflict diamonds or assisting others to do so. (Myer does not involve in the international trade of rough Diamonds.)
- Myer shall keep records of all Kimberley Process certificates (if applicable) and shall adopt the World Diamond Council System of Warranties to ensure that all diamond invoices contain the following affirmative statement or equivalent wording which provides the same warranty: "The Diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict and in conformance with United National resolutions. The seller hereby guarantees that these Diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of these

Diamonds.”

- Myer shall keep records of all Kimberley Process certificates and warranty invoices received and issued, and have them audited and reconciled on a regular basis either as part of a RJC Audit, or by an RJC Accredited Auditor during the certification period, or by a separate independent auditor, as suits the circumstances of the business. If asked for by a duly authorized government agency, these records shall be able to prove compliance with the Kimberley Process.
- Myer shall maintain awareness of and comply with applicable international and national sanctions that prohibit transactions involving Diamonds with targeted individuals, entities or organizations.
- Myer shall from time to time inform or update all the employees who buy or sell diamonds about government policies and legal requirements on the trade in diamonds and world association/union resolutions and regulations including but not limited to, the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties.

(2.2) MONEY LAUNDERING AND FINANCE OF TERRORISM

To combat money laundering and finance of terrorism, Know Your Customer principles shall be adopted by Myer to establish the identity of all organisations with which Myer deals, to have a clear understanding of their business relationships and to have a reasonable ability to identify and react to transaction patterns appearing out of the ordinary or suspicious.

Myer shall apply “Know Your Customer” principles for all Business Partners that are suppliers or customers of Diamonds, Gold and Platinum Group metals or Jewellery Products containing these, including:

- Establishing the identity, and where triggered by a Risk assessment or Applicable Law, the beneficial ownership and principals of the supplier or customer;
- Maintaining an understanding of the nature of their business;
- Monitoring transactions for unusual or suspicious activity and reporting suspicions of money laundering or finance of terrorism to the relevant designated authority.

(2.3) LABOR AND HUMAN RIGHTS

Myer is committed to developing an organizational culture in support of internationally recognized human rights and seeks to avoid complicity in human rights abuses. Myer persists in the principles contained within the United Nations Human Rights – Guiding Principles on Business and Human Rights.

With the principles in mind, Myer sets policy to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by the Company's business activities before or if they occur, through human rights due diligence and mitigation processes. Myer encourages all the business partners, customers, suppliers and service providers to uphold the principles in this Policy and to adopt similar policies within their businesses.

Employment & Remuneration

- Employment shall be freely chosen. Workers shall not be required to lodge “deposits” or their identity papers with Myer and shall be free to leave with reasonable notice.
- There shall be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Working conditions shall be safe and hygienic.
- Working hours including overtime shall not be excessive. Working hours shall comply with national laws and benchmark industry standards, whichever affords greater protection.
- All employees shall have at least one rest day in seven consecutive working days unless permitted under a Collective Bargaining Agreement and /or Applicable Law that allows for work time averaging including adequate rest periods.
- All employees shall be provided with all local legally mandated public holidays and leave.
- Wages and benefits pay for a standard working month, calculated according to local legally mandated calculation basis, shall meet local statutory minimum wage level before overtime and shall be paid to employees by bank transfer, in cash or cheque form within the time frame as required by local labor law.
- All employees shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time they are paid.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures shall be recorded.

Forced Labor

- Myer shall prohibit the use of all forms of forced or involuntary labor, including indentured labor, slave labor, prison labor and any form of human trafficking.

Child Labor

- Child Labor shall not be used during any manufacturing. The term “Child” refers to a person below a certain minimum age as determined by local laws and regulations. Myer shall support legitimate workplace apprenticeship programs that comply with all laws and regulations applicable to such programs.

Safe and Healthy Workplace

- Myer shall provide and maintain a workplace and any work-related circumstance outside the workplace free from the happenings or threats to the employees of unfair treatment, humiliation, violence, sexual or other harassment, verbal or physical abuse, harsh or inhumane treatment, any form of intimidation and any other unsafe or disruptive conditions. These principles shall apply not only to the employees but also to the business associates with whom Myer works.
- Myer shall provide a safe and healthy working environment in compliance with relevant legal or industry requirements for all the employees and on-site contractors with aims to minimize the risk of accidents, injury and their exposure to health risks. With identification of hazards and remediation of health and safety issues from time to time, Myer is committed to continually improving health and safety conditions in the workplaces.

Freedom of Association and Collective Bargaining

- Myer shall respect all employees’ right to join, form or not to join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, Myer shall establish a constructive dialogue with their freely chosen representatives and shall work on the bargaining affairs in good faith with such representatives.

Myer shall establish different effective channels for all the employees to communicate their concerns under this policy and to report a potential violation of this policy, if any. All these concerns or report shall be reviewed, investigated if required, and responded with appropriate action. Myer is committed to making every effort to maintain confidentiality of such communications without any reprisal or retaliatory action taken against the employee raising such concerns or report.

(2.4) HEALTH & SAFETY

It is the policy of Myer to make health & safety issues top priority throughout the Company's business and to recognize that health and safety management as an integral part of the Company's daily operations.

Myer sets up a Health & Safety Committee, which is responsible for the planning and management of health and safety issues and reports directly to the top management. Through implementation, supervision and regular review of this policy, Myer aims to continually improve their occupational health & safety performances by building up high level of health and safety awareness to the employees and on-site contractors during working hours in accordance to occupational & health ordinances and regulations of the industry.

Myer ensures that safe and healthy working conditions are provided for all the employees and on-site contractors in the workplaces in accordance with Applicable Law and other relevant industry standards:-

- Access to clean & hygienic toilet facilities, safe & accessible potable drinking water, and if appropriate, sanitary facilities for food storage shall be provided.
- A safe and hygienic working environment shall be provided, bearing mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Appropriate Personal Protective Equipment shall be provided free of charge to employees.
- Employees shall receive regular and recorded health and safety training and information update so that they shall be competent to carry out their health and safety duties and responsibilities in order to ensure all employees' own health and safety at work and to contribute their greatest effort in preventing any accident occurrence.
- Workplaces shall be facilitated with proper fire safety equipment and alarms with clearly marked, unlocked and unblocked emergency exits, escape routes and emergency lighting.
- Adequate on-site health and medical facilities, including clearly marked first aid provisions and trained first-aid personnel, shall be provided with appropriate procedures in place for transportation to local medical facilities in the case of a medical emergency.
- All Health and Safety incidents shall be recorded and investigated. The results shall be fed into reviews of the controls of related Hazards to identify opportunities for improvement.

(2.5) Environmental Protection

The management of Myer are committed to improving and enhancing environmental performance by:

- Working with the community as a whole and in association with all staff, business partners, customers, suppliers and service providers to conserve natural resources and preserve the quality of the environment in which Myer operates;
- Conforming to all relevant environmental legislative and regulatory requirements;
- Identifying significant environmental risks and implementing appropriate control measures to prevent significant environmental impacts or minimize & mitigate identified environmental risks;
- Maintaining an inventory of hazardous substances at Facilities with Safety Data Sheet easily accessible by trained employees and contractors when in use. Myer shall use substitutes to hazardous substance in business processes wherever technically and economically viable and shall never use chemicals and hazardous substances subject to international bans;
- Identifying significant wastes and emissions to air, water and land generated in the business processes and discharging or disposing wastes and emissions in compliance with Applicable Law or prevailing international standards;
- Reducing waste, and reusing or recycling products wherever practicable;
- Recognizing energy and water consumption as significant natural resources and seeking energy and water efficiency initiatives to reduce the wasteful use of these key resources;
- Ensuring all the staff well-trained with the environmental policy and encouraged to identify potential environmental improvement initiatives.

Myer shall regularly monitor and review the control system and procedures and work out resolutions to continually improve environmental performance.

(2.6) BUSINESS ETHICS

Anti-Bribery & Facilitation Payment Policy

- It is Myer's policy to conduct all of the business in an honest and ethical manner. Myer shall take a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business relationships and dealings by implementation and enforcement of effective systems to counter bribery.
- There are no exemptions for facilitation payments within the Company of Myer. Any form of advantage shall be assessed according to the elements of the offence under the legal requirements.
- Myer shall support anyone who raises genuine concerns in good faith under this anti-bribery policy, even if they turn out to be mistaken. Myer is committed to ensuring no one shall suffer from any detrimental treatment, such as dismissal, disciplinary action, threats, or other unfavorable treatment, as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.
- This policy applies to all individuals working at all levels and grades including management staff, employees (whether permanent or temporary), consultants, contractors, casual workers or any other person associated with Myer.

Confidentiality Policy

Myer places a high priority on the protection of confidential information in order to protect the privacy of its business associates and employees with respect to the Hong Kong Personal Data (Privacy) Ordinance, and the integrity of the Company.

- Confidential Information shall only be accessible to those who are authorised to have access to the information.
- This policy applies to all directors, officers, employees, contractors and consultants.
- Confidential Information includes :
 - commercially sensitive information ;
 - all in-house financial data of status and analysis;
 - all in-house operational manual and documentation
 - all information in correspondences and contracts or agreements (draft or concluded) with business associates
 - personnel records of Myer's employees or any other information of a personal nature;
 - Any other information that is provided in confidence, or would be reasonably considered to be confidential based on generally accepted ethical and business practice

- All directors, officers, employees, consultants and contractors who are in possession of Confidential Information shall ensure that they:
 - are authorised to have access to the information; and
 - take all reasonable actions to protect the security of the information, commensurate with the sensitivity of the information.

- No person who is in possession of Confidential Information shall be subjected to pressure or intimidation to disclose the information to another party if they have reasonable grounds to believe that the other party is not authorised to receive the information. If a person acquires unauthorised access to Confidential Information, they shall take immediate steps to delete or destroy the information, prevent any continued access to it, and, where applicable, inform the provider of the information that it was received without authorisation and has been deleted or destroyed.

- Any person who deliberately or negligently contravenes this policy may be subject to disciplinary action.