JEWELLERY

ETHICAL BUSINESS POLICY

COMPANY INTRODUCTION AND COMMITMENT

Lebrusan Studio is an award-winning ethical jewellery brand with sustainability at its core. We believe it's possible to change the world for the better, one gram of gold at a time. Our mission is one that's both social and environmental in focus.

Our central values are the following:

Beauty in Design. Our distinctive jewels are designed in the UK by our Creative Director, visual artist and award-winning jewellery designer Arabel Lebrusan.

Beauty in Craftsmanship. We commission experienced craftspeople with niche expertise to bring our designs to life. In championing traditional craft techniques and local craftspeople, we enable centuries of skill to be passed down from one generation to the next and ensure British cultural heritage is upheld.

Beauty in Ethics. We don't support exploitation of any kind, whether that's of individuals without the economic means to defend themselves or environments that can no longer cope with the harsh chemicals and processes traditionally used to extract materials from the ground.

It's our devotion to these core values that has earned us a reputation for jewellery that's inherently respectful of human life, fine craftsmanship and the planet on which we all live. Each of our jewels represents a unique journey, and by sharing these stories we hope to serve as a role model for the jewellery sector; affirmation that change is possible.

We append our Ethical Business Policy to all company contracts so that commitment to the policy is compulsory and integral to all contractual relationships. We liaise with our suppliers and sub-contractors to help raise their awareness of the ethical issues associated with their work, as well as building their capacity through our experience so that they can embed ethical practices into their own work and procedures. We present this Ethical Business Policy to all new suppliers and sub-contractors so they are aware of our ethical principles.

We share our beliefs with the industry by campaigning. Telling our story openly is essential if we are to inspire other businesses to make positive changes. Our familiar and eponymous brand name serves as a platform, enabling us to raise flags where downfalls need addressing and wave flags where positive impacts need celebrating. Arabel Lebrusan has presented a <u>TEDx talk</u> and contributed to numerous speaking panels during her time as Lebrusan Studio's Founder and Creative Director - from Fair Luxury's Inspire Seminars at

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International Jewellery London to ORIGEN's Dialogues on Responsible Jewellery event and The WIP's exploration of greenwashing. She is also a member of the committee behind the Scottish Goldsmiths Trust's Ethical Making Resource.

Internally, we've developed this Ethical Business Policy to articulate our intentions and integrity. Our Ethical Business Policy is subject to regular review and updates by senior management and independent third parties, and is communicated publicly via our company website.

WHAT WE STAND FOR

1. RESPONSIBLE SOURCING

Our sourcing values are:

We aim to source all our precious materials with minimal impact to Planet Earth.

We aim to source all our precious materials with full traceability.

We choose recycled precious materials and/or materials that have been mined with minimum impact.

We choose to source from small-scale miners through fair-traded schemes where possible. We believe jewellery has the power to change small mining communities for the better and we want to be part of that change.

We disclose all our sourcing information to our clients, as to keep the supply chain open-source for all.

About our sourcing:

As one of the UK's very first Fairtrade Gold licensees and a licensee of Fairmined, we offer our customers pieces that contribute to the development of a better world. These third party certified schemes guarantee that the gold is produced by artisanal and small-scale miners that are empowered in their work in a manner that prioritises environmental protection and social development within the mining communities (for more information about these initiatives please see the <u>Fairtrade</u> and <u>Fairmined</u> websites).

We also know there is enough precious metal already above-ground to reduce our collective demand for further mining. So, working with fully recycled gold, platinum and silver is our environmentally sympathetic alternative to newly-mined metal.

When sourcing gemstones, including diamonds, we go above and beyond industry standards. We require our diamonds to comply with the Kimberly Process at the bare minimum, but also recognise the flaws in this certification alone, so prefer to seek full traceability. Our Canadian diamonds and traceable coloured gemstones (such as sapphires and rubies) guarantee origin, often down to the fine detail of exact mine. By considering geography

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when sourcing diamonds and gemstones, we can avoid those that come from Conflict-Affected and High-Risk Areas (CAHARA).

We also offer the option of reclaimed diamonds and gemstones to all clients as default. In tandem with recycled metal, this offering presents the opportunity to create a jewel that makes use of materials already in circulation and requires no further mining whatsoever.

We believe it is crucial not only to source the minerals in our jewellery responsibly but to make our customers aware of the importance of their role as consumers and the impact that ethical purchases can have on the people who work in each stage of the supply chain. We provide all customers with information about the provenance and sourcing of our materials and work with them to achieve the best ethical options for their piece of jewellery.

Our membership to organizations such as Fair Luxury, the National Association of Jewellers (NAJ), Fairtrade, and Fairmined are platforms from which to advocate ethical material sourcing, and we communicate our ethical sourcing policies to the public via our website.

Our limitations when creating bespoke jewels:

When we create bespoke jewels based on unique customer requests, we explore every material option available to us, both in the ethical realm and using approaches more conventional of industry standards, because:

- Traceable precious materials are still in their infancy in this industry. With our longterm vision and advocacy of ethical sourcing, we hope to carve for them a legitimate and respected place, in turn driving their availability and accessibility
- Our options for sustainable metal components like chains and clasps (findings) are still limited
- Our options for fully traceable coloured gemstones and diamonds are still limited
- Not all manufacturers are licensed to use third party certified metals like Fairtrade Gold or Fairmined Gold, therefore limiting our choices of craftspeople
- On the rare occasion we buy any material that's not fully traceable, we consciously source it from a supplier who we know supports our vision and is making clear steps towards full traceability where possible

All of these limitations are articulated openly and honestly to our clients, and we decide which routes to take only after discussing their options with them in depth.

2. SUSTAINABLE CRAFTSMANSHIP

Ethically-sourced materials alone provide only half of the picture; a product that's truly sustainable also upholds traditional craft and cultural heritage. With this two-fold approach

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to sustainable design and manufacture, our jewels embody respect, not just for Planet Earth, but for the people who inhabit it and the centuries of tradition behind them.

Traditional jewellery skills are invaluable human capital, and part of the intangible cultural heritage of a country. Even in an age of technological dominion, we've all been taught our deepest-set skills and values by those around us and those who came before us; our parents, teachers, mentors, colleagues and friends. The touch of the expert craftsperson and their deep understanding of shape and form rivals many contemporary technologies, creating unique, heart-felt jewellery in a way a machine never could.

To gain a full understanding of a craft, we take into account not only the skills required, but the craft's history and the traditional tools associated. By understanding, celebrating and sometimes reinventing time-honoured jewellery techniques, we're not just helping to keep centuries of knowledge alive, but providing it a place in the modern context to enable continued transfer for generations to come.

As members of the NAJ's Created in the UK scheme we are committed exclusively to British manufacture. Once conceptualised by our Design Team, our jewellery is cast in England and finished entirely in Hatton Garden, London's jewellery quarter, where it's finished by skilled craftspeople in independent workshops that each specialising in a niche. This localised approach to production not only enables us to minimise our jewellery's mileage, but to invest in British businesses and honour established British techniques like hand-engraving.

Arabel Lebrusan's Spanish roots are present in our filigree jewels, hand-crafted in artisanal workshops dotted along Spain's Via de la Plata, where generations of craftspeople have honed their skills and passed them on to those who succeed them. Each filigree commission is a vessel for celebrating this cultural heritage and a financial investment in the family business of our filigree artisan, Lorenzo. Following his recent retirement, our filigree jewels now constitute a limited edition Design Archive, honouring his story and those of other traditional Spanish filigree artisans like him.

3. CIRCULARITY IN JEWELLERY

Alongside our support of small-scale and artisanal miners, we also pride ourselves on a restorative approach to business, celebrating materials already above the ground. No matter how fairly traded or responsibly sourced, newly-mined materials expend further water, land, and energy. Global warming has reached crisis point and it is now vital that we slow the rate at which we're using and abusing these natural resources.

• **Recycled metals:** We offer the option of recycled metal to all of our clients. Our recycled metals come directly from 100% recycled sources. We are striving to use 100% certified and single-recycled sources, with even the metals included in the alloys recycled. We use 100% recycled silver in about 80% of our silver jewels. Meanwhile, we use 100% recycled gold in all of our recycled gold jewels, which make the largest

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share of overall sales. Recycled platinum is the only type of platinum that we offer, with our recycled platinum always containing a minimum of 90% pure recycled platinum.

- **Reclaimed diamonds and other gemstones:** We offer the option of reclaimed gemstones to all of our clients. In tandem with recycled metal, this offering presents the opportunity to create a jewel that's required no further mining whatsoever.
- A bespoke upcycling service: We offer a bespoke upcycling service, encouraging clients to bring their old or inherited jewels to us so we can revive their materials and create something new.

4. HUMAN RIGHTS

In accordance with the United Nations Guiding Principles on Business and Human Rights, as a business we work to ensure that human rights are respected in all areas of our business activities, and we apply due diligence to avoid infringing on the rights of others, as well as address any adverse impacts that they might be linked to. We are committed to identifying, preventing and mitigating adverse human rights impacts resulting from or caused by our business activities. As a company, we make regular assessments of our practices to identify areas of potential human rights impact and we would stop working a specific supplier should we discover any infringements to human rights.

5. FAIR WORKING CONDITIONS

We commit to guaranteeing fair working conditions for our employees, contractors and suppliers. Specifically, we make a commitment with respect to the listed themes in the following paragraphs.

Commitment to Eradicate Child Labour

We have embedded our zero tolerance of child labour into policy and management system. We are committed to source materials from suppliers that do not recruit children below the age of 18 for worst forms of child labour. In 2021, the International Year for the Elimination of Child Labour, we raised £1,000 for the Global March Against Child Labour via a dedicated fundraising scheme called Lebrusan Studio Against Child Labour.

Commitment to Eradicate Forced Labour and the Abuse of Labour

We have embedded our zero tolerance of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, slave labour and any form of human trafficking. We are committed to source materials from suppliers sharing the same commitment.

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Commitment to Eradicate Discrimination

We believe in equality in the workplace and do not discriminate on the basis of race, sex, colour, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. We recruit based on qualifications, performance, skills and experience. Harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace. These principles apply to company employees and also any subcontractors and business partners we work with.

Freedom of Association and Collective Bargaining

We respect the right of employees to join, form, or not join a labour union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognised union, we are committed to establishing constructive dialogue with their chosen representatives.

Work Hours and Wages

We operate in full compliance with applicable wage, work hours, overtime and benefits laws.

Grievance Policy and Procedure

We are committed to the resolution of individual grievances fairly and promptly whenever possible. Employees who have a grievance are encouraged to raise the problem formally or informally as appropriate and in accordance with the grievance policy contained in our staff handbook.

6. SAFE AND HEALTHY WORKPLACE

We are committed to maintaining a workplace that is free from violence, harassment and intimidation, and we treat our employees and subcontractors with dignity and respect. We value open and honest communication among employees and are committed to following all applicable labour and employment laws. We have a procedure in place for the reporting of any incident should employees believe there is a suspected violation of this policy.

We also recognise our health and safety duties under the Health and Safety at Work Act 1974 and the Management of Health & Safety at Work Regulations 1992 together with all relevant subsidiary legislation.

7. ENVIRONMENTAL PROTECTION

As a company, we conduct our business in such a way as to prevent pollution, to minimise as far as is appropriate the adverse impact on the environment of our activities and to

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continually improve on our practices with regards to sustainability and environmental protection. We comply with all local and national environmental laws, and expect our suppliers to adopt relevant measures to mitigate and address adverse environmental impact.

As members of the NAJ's Created in the UK scheme, 100% of our jewellery is crafted locally, thus travelling very few manufacturing miles. With the primary bulk of our manufacturing taking place in Hatton Garden, London – just moments from our headquarters at the London Diamond Bourse – the vast majority of our materials, components and finished pieces are transported from A to B on foot.

Recycled metal is used in approximately 80% of our jewellery. As an alternative to newly mined metal, this tendency alone enables us to keep our CO₂ emissions to a minimum. We engage regularly with a handful of specialists in the field of sustainability for an understanding of our carbon footprint and how we might reduce its size. When a newly mined metal is used instead of recycled metal, our decision to commit exclusively to Fairtrade Gold or Fairmined Ecological Gold ensures that mining and production processes do not involve mercury or cyanide.

Our ongoing <u>Treasure for Trees</u> initiative is our pledge to plant 10 new trees for every piece of jewellery we sell, assisted by the One Tree Planted charity. Since the scheme's launch in 2021, our donations have facilitated 2,363 (January 2024) new polylepis trees in the Andes, as part of a Latin America-wide initiative to restore 1 million hectares of high Andean forest across 6 countries. The tree planting will help restore wetlands, safeguard traditional forest, protect critical Amazon headwaters and offset carbon emissions, cleaning the atmosphere and reducing the effects of climate change.

At a more local level, we distribute our jewellery in packaging made from recycled cardboard and recyclable plastics, its keepsake nature discouraging a single-use lifespan. Our office is powered by 100% green energy provided by Good Energy. All of our marketing materials are printed using vegetable ink and recycled or FSC-certified papers. We segregate all waste for recycling.

8. BUSINESS INTEGRITY

It is our policy to conduct all of our business in a manner that is honest and ethical. We have a zero-tolerance approach to bribery and corruption, and uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. All payments or gifts provided for services, advice or as hospitality should be reasonable, justifiable and proportionate. Gifts made or received by or on behalf of our company are recorded for transparency.

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We bank with the Co-operative bank and use an ethical pension provider with Nest, enabling employees the autonomy to choose how and where pensions are invested.

In an effort to promote healthy living and help with the rising costs of food, weekly organic fruit and veg box deliveries from Riverford are now a firm feature of our employee benefits package.

9. PRODUCT DISCLOSURE

We commit to provide truthful, reliable and relevant information about our precious materials.

We believe it is not only crucial to source the minerals in our jewellery responsibly but also to make our customers aware of the importance of their role as consumers and the impact that ethical purchases can have on the people who work in each stage of the supply chain. We provide all customers with information about the sourcing of our materials and we work with them to achieve the best ethical options for their piece of jewellery. Every piece of jewellery is delivered to its customer with a unique, signed <u>certificate of authenticity</u>, corroborating the quality and provenance of the materials present and describing the unique manufacturing journey that realised it.

As most of our jewellery is made to order, the customer has the final decision of what type of ethical materials they want to use. In the year 2022:

- We have sourced around 25% of our Gold from small scale miners in Peru and Mongolia under Fairtrade or Fairmined schemes, and around 75% from a 100% recycled source in the UK. A very small amount of Gold would have been non-traceable standard industry metals to be used in clasps, chains, and other products that are still not available in certified metals.
- We have sourced all of our Platinum from a recycled source (at least 90% recycled) in the UK.
- We have sourced 50% of our diamonds from Canada, which are conflict free, Kimberley certified and fully traceable. We have sourced around 8% from conflict-free, Kimberley certified diamonds from African countries (Botswana, Namibia and South Africa) and 4% from fully traceable sustainably sourced marine diamonds.
- As an alternative to the mining of new diamonds, we have also sourced 30% of our diamonds from pre-owned sources (100% recycled) and 4% as lab grown diamonds.
- We have sourced 56% of our Sapphires from Sri Lanka (fully traceable and following fair-trade standards). We have also sourced 25% of our Sapphires from Australia, 12% from Malawi and 8% from Montana (USA), and they have been traded following fair-trade standards.
- Overall, we have sourced around 75% of our precious gemstones from known traceable sources and 19% from recycled pre owned sources.

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In the 11 years we have been trading (as of February 2024), the availability of gemstones from known traceable sources has increased considerably, but unfortunately there is still a large limitation of supply of traceable & sustainable gemstones.

10. PARTNERSHIPS WITH ORGANISATIONS PROMOTIONG ETHICAL PRACTISES AND MEMBERSHIPS

Fairtrade

Fairtrade Foundation Flo Id: 26923

Back in 2011, we were extremely proud to be selected as one of the very first 16 jewellers worldwide to launch Fairtrade Gold. Ever since that debut we've moved, collaboratively, from strength to strength, enjoying a reciprocal relationship. Whilst we benefit from international exposure, a virtue of Fairtrade's global profile, we simultaneously serve as a mouthpiece for Fairtrade Gold on a local level, our jewels acting as ambassadors for the organisation and its incredible work.

Fairmined

Fairmined Id: GB30020

In 2016 we attained our Fairmined license, enabling us to buy and sell metal under the conditions of the Fairmined Standard. We invest only in Fairmined Ecological Gold - gold extracted from the Earth without the use of mercury or cyanide - and we offer this as an option across many of our collections. Like our alliance with Fairtrade, this relationship with Fairmined invites a positive two-way relationship.

Fair Luxury

The Lebrusan Studio team are members of Fair Luxury, the independent group of jewellery industry change-makers who organised the UK's first ever responsible jewellery conference. Fair Luxury represents all tiers of the jewellery supply chain (including miners, refiners, manufacturers, traders, designers, makers, traders and retailers), all of whom aim to set a positive example for how ethics can be better incorporated into the jewellery sector. The group runs events throughout the year to discuss various aspects of the jewellery supply chain and how to approach provenance and sustainability. It encourages sustainable practices in the sourcing, making and selling of jewellery both in the UK and globally.

National Association of Jewellers' Code of Conduct

Membership Number 52573

The <u>National Association of Jewellers (NAJ)</u> is the UK's leading jewellery trade association. It represents over 2000 members that operate in every aspect of the jeweller industry. As an

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industry-leading education provider, it delivers internationally recognised qualifications, exciting short courses and bespoke business mentoring.

As a member of the National Association of Jewellers, which works diligently with its membership with a common end goal towards a clear policy of transparency and sustainability, Lebrusan Studio strictly abides by the NAJ's Code of Conduct which is as follows:

- 1. To maintain the highest level of personal integrity, honesty and business ethics.
- 2. Abstain from making false or misleading statements about any member of the jewellery industry.
- 3. Refrain from public criticism of any NAJ member, unless all reasonable steps have been taken to resolve the relevant issues without satisfaction.
- 4. Provide full and accurate disclosure regarding any merchandise offered or sold (nature, quality, characteristics and origin (if known)).
- 5. Abstain from engaging in any conduct or business practice that may directly or indirectly mislead or deceive customers.
- 6. Honor all guaranties, warranties and service policies as represented to customers as well as provided by law.
- 7. Implement the procedure provided by the CIBJO Blue Books and the World Diamond Council's "System of Warranties" to prevent trade in conflict diamonds.
- 8. Implement procedures to prevent trade in conflict gemstones and precious metals.
- 9. Ensure all relevant items are appropriately Hallmarked as required by UK law.
- 10. Make every effort to deal only with companies that do not exploit children or use child labour in accordance with the UN Global Compact, and provide adequate occupational health and safety conditions and respect the environment within your own business.

Statement on the Kimberley Process

We go above and beyond the Kimberley process. We expect all our diamonds to comply with the Kimberley process as a minimum but we also aim to have full traceability in order to avoid diamonds that come from Conflict-Affected and High-Risk Areas (CAHARA).

11. COMMUNITY ENGAGEMENT AND CHARITABLE WORK

Since 2015 we've donated a fixed quarterly sum to The Water Project, a charity whose aim is to grant rural communities throughout sub-Saharan Africa access to clean, safe water. We chose The Water Project because we want to help those living in Sierra Leone, a country that suffered eleven years of civil war primarily fuelled by the diamond mining industry and traffic of blood diamonds. As an ethical jewellery brand we feel it's our responsibility to think proactively about reparations. Our donations so far have supported the development of borehole wells in various communities throughout western Sierra Leone, whose purpose is to provide clean running water all year round.

Facilitated by One Tree Planted, our financial contributions to reforestation efforts in the Andes enable us to directly support Indigenous communities on the ground. As part of the

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annual tree-planting festival Queuña Raymi, trees are planted with the guidance of local leaders using ancient Incan traditions, preserving Indigenous culture as well as landscapes. The Indigenous communities who once thrived off the resources provided by the Andes are shrinking as youth move away in search of work. Rebuilding these communities would provide younger generations with economic opportunities, allowing them to stay and practice their traditional culture and way of life.

Keen to begin engaging more closely with our local area, our pledge for 2024 is to begin sharing our knowledge with various community groups in Brighton & Hove via free workshops and seminars.

We also choose to engage closely with commercial enterprises for whom corporate social responsibility is a priority. For example:

Fairmined

Our relationship with Fairmined began when we gained our certification in 2016, already well aware of their uncompromised support of small-scale miners worldwide. Before long, Arabel was in **Colombia** visiting La Llanada, one of only two mining communities in the world producing Fairmined Ecological Gold without the use of mercury or cyanide. She delved into the mountain mines, witnessing first-hand the working conditions of the miners and learning exactly how the gold in her jewels is extracted from the Earth. Through speaking with members of the community she learned about the educational programs and other initiatives implemented by Fairmined, and was subsequently granted a full and honest picture of the benefits. She also visited the Fairmined offices in Medellin, where she finally met the team members she regularly does business with online. Seven years later, we are continuing to support the La Llanada community with the price premium we pay for Fairmined metals.

Nineteen48

We began purchasing coloured gemstones from Nineteen48 some years ago, and have always been passionate about understanding their supply chains on a deep and comprehensive level. In 2019 Arabel travelled to Sri Lanka to visit some of Nineteen48's sapphire mines and an associated stone-cutting site, learning about their admirable <u>charity work</u> for Kandy Kids and Emerge Global along the way. By regularly buying stones from Nineteen48, we're committed to support them on a long-term basis.

The present ethical business policy is complemented by the following topic specific policies:

- Anti-corruption and anti-bribery policy (Staff Handbook)
- Grievance policy (Staff Handbook)

Signed/endorsed: Arabel Lebrusan Date of effect: 1st January 2024