



Menē Inc.'s “Fighting Against Forced and Child Labour” annual report

To meet the applicable requirements of Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act)

1. Introduction

Menē (“The Company”) is committed to ethical procurement, supply chain and labour practices. This report outlines the activities performed by Menē Inc. to limit the risk of using forced and child labour in its supply chain process. This report covers activities from January 1, 2023 to December 31, 2023 (the “Reporting Period”).

2. About Menē

Menē crafts pure 24 karat gold and platinum jewelry that is transparently sold by gram weight. Menē marries innovative technology, timeless design, and pure precious metals to create pieces which endure as a store of value, thereby restoring the relationship between jewelry and savings. Menē Inc. is listed on the TSX Venture Exchange (TSX-V:MENE) with publicly traded shares, and has one wholly owned subsidiary, Mene inc., which is incorporated in the United States of America (“USA”).

Through Mene.com, customers can buy jewelry, monitor the value of their collection over time, and sell or exchange their pieces by gram weight at the prevailing market prices for gold and platinum.

The Company generates revenue when jewelry is sold directly from the Company's website, Mene.com. Each piece is sold by weight, plus a transparent design and manufacturing premium, which is approximately 30% of the total value of each item. The company has designed proprietary technology which can effectively adjust the margins for each jewelry design based on demand and inventory levels. Customers can always see what this premium is on each product page knowing precisely what component of the purchase will be for the gold and platinum weight and what component for the jewelry.

3. Our supply chain and business

a. Supply Chain

Menē's significant purchases stem from a limited number of suppliers and relate to physical 24 karat gold and platinum precious metals, as well as jewelry, storage, and packaging. Menē recognizes that forced and child labour risks could exist in our business' supply chain and utilizes the U.S. Department of Labor's [List of Goods Produced by Child Labor or Forced Labor](#) as a guide in identifying related risks.

Menē's major suppliers consist of large multinational banking institutions, packaging suppliers and warehousing facilities, including a single, US-based, well established and family run manufacturer of fine jewelry.

b. Business assessment

The Company's assessment is that there is a limited risk that forced or child labour exists within our supply chain, given the limited number of suppliers we deal with and the Company's relatively small operational footprint. Substantially, all purchases of raw material inventory and consumables used in the manufacturing process and purchases from our co-manufacturer of finished goods jewelry, are sourced in either the USA or Canada, where the regulations enforcing protections of workers are robust and stringent. Part of the packaging purchased and used in the shipment of our products is purchased within the USA but manufactured within Central America. While the risk that forced and child labour exists with this supplier may be higher, it is also a large multinational business with distribution and sales offices located within the USA. Most importantly, this supplier also upholds a strict code of conduct and is committed to adherence with laws, regulations, sectoral norms, and corporate standards.

4. Due diligence and addressing forced and child labour in our supply chains and business

Menē is committed to doing business in a fair and equitable manner, which includes a focus on locally sourced supplies of goods and services and working with suppliers of high ethical standards. Below, we note the following for our largest suppliers:

- All raw metal purchases of gold and platinum are purchased from the US-arm of a top-5 Canadian bank, which meets the requirements of the London Bullion Market Association's [Responsible Sourcing program](#).
- The parent entity of our major packaging supplier, where goods are manufactured in Central America, enforces a code of conduct which includes commitments to conducting itself in the market with quality and decency and ensuring ethical behavior is directly related to the dignity of all human beings. This also includes equal opportunity, protection from bias and harassment, fair compensation and fostering a culture of respect. This entity also issues a yearly sustainability report with a commitment to worker health and safety and to compliance with applicable laws, regulations, sectoral norms, and corporate standards.
- The family run co-manufacturer of our gold and platinum jewelry is a registered member of the [Responsible Jewellery Council](#) and has undergone independent verification in 2023 to ensure ethical supply chain and labour policies are maintained.
- Our supplier of warehousing services issues a yearly Environmental, Social and Governance report which includes commitments to comply with local, state, national, and international laws regarding labour practices and condemning human rights abuses.

Under new management in 2023, the Company performed a budgeting exercise which included the reassessment of all suppliers, ensuring that purchases from these suppliers were critical to business success. This included discussion with senior management as to the necessity of all supplies, including factors such as their nature, location, and tenure. Menē has also established that new suppliers for production, packaging and storage need to be justified and approved by the Chief Financial Officer ("CFO") or the Chief Executive Officer ("CEO") prior to conducting business with them. The CFO or CEO discusses with senior management the nature and purpose of the new suppliers, including a formal onboarding process.

Given the vast majority of products in our supply chain are sourced within the borders of the USA and Canada, Menē is relatively confident that its supply chain is not likely to contain the use of forced and child labour in its production process.

In addressing forced and child labour within the Company, Menē is vehemently against any use of forced and child labour. While no formal training occurred, senior management are informed on ethical and operational requirements in the hiring process and as applied to the general operations of the business, and these requirements are also communicated to the broader team and employees of the Company. The Company consists of a small, full-time staffing contingent numbering 18 people, of which 5 are considered senior management. Senior management, including the C-suite level executives, interact daily in varying degrees with all staffing levels on a one-to-one basis. Given the small number of staff and the regular interactions, the risk that any forced or child labour has occurred at our production facility or corporate offices is remote. Menē has continued to focus on employee-related compliance improvements into 2024 within the USA and Canada, which includes improving and implementing various employee-related policy documentation, through consultation with legal employment council in both jurisdictions.

5. Monitoring and compliance

By developing working relationships with suppliers, sourcing of precious metal, production consumables, storage solutions and a portion of our packaging supplies within the borders of North America, Menē is able to monitor and limit its exposure in sourcing products produced through forced and child labour.

Noting the size of Menē's operations and with an overall workforce of about 25, the senior leadership team mentors staffing through daily engagement and knows all individuals on staff personally. Menē also periodically reviews employment documentation for local compliance with the state or provincial regulation in the USA or Canada, thus ensuring all employed staff conform with local regulation.

Furthermore, Menē's senior leadership team meet monthly to review and discuss general operational matters which include issues in staffing and supply chain. As such, any identified risks would be addressed efficiently and succinctly. No issues or concerns regarding forced or child labour have yet been noted. As no forced or child labour has been discovered to date within the Company or its supply chains, the Company has not had to take any measures to remediate the same or to remediate the loss of income to the most vulnerable families that could result from such remedial measures. The Company believes its current practices are effective in ensuring that forced labour and child labour are not being used in its supply chains and periodically assesses and reevaluates its practices in this regard, particularly in preparing this annual report.

6. Approval and attestation

This report for the entity Menē Inc. has been approved by Menē Inc.'s Board of Directors pursuant to subparagraph 11(4)(a) of the Act. In accordance with the requirements of the Act, I attest that I have reviewed the information contained in the report for Menē Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I make the above attestation in my capacity as the Executive Chairman and Director of the Board of Directors of Menē Inc. for and on behalf of the Board of Directors of Menē Inc., an entity for which I have the authority to bind.



Roy Sebag
Executive Chairman, Menē Inc.
May 28, 2024