



SDC DESIGNS LLC

“SDC” Supply Chain Policy

1. SDC Designs, LLC., SHR Jewelry Group, LLC., A Link Jewelry Co., LLC., SDC Created, LLC., PENNY PREVILLE Holding Co., LLC and SUPER DIAMOND (which from this point of the document will be called simply “SDC”). “SDC” is a Fine Jewelry Wholesale/Manufacturing Company based in New York, New York. This policy confirms “SDC” Commitment to Respect Human Rights, Avoid Contributing to the Finance of Conflict and Comply with All Relevant UN Sanctions, Resolutions and Laws.
2. “SDC” is a Certified Member (0000-3554) of the Responsible Jewellery Council (RJC). As such, we Commit to following Policies relating to the RJC OCED (Organization for Cooperation and Development) Guidance, a Comment to Identify and Assess Risks related to Conflict Affected and High-Risk Areas (CAHRA’s) and proving through Independent Third-party Verification. The Areas of Concern are:
 - A.
 - i. Respect Human Rights according to the Universal Declaration of Human Rights and International Labour Organization Declaration on Fundamental Principles and Rights at Work.
 - ii. Do NOT Engage In or Tolerate Bribery, Corruption, Money laundering or Finance of Terrorism.
 - iii. Support Transparency of Government Payments and Rights-Compatible Security Forces in the Extractives Industry.
 - iv. Do not provide Direct or Indirect Support to Illegal Armed Groups.
 - v. Enable Stakeholders to Voice Concerns about the Jewelry Supply Chain.
 - vi. Are Implementing the OECD 5-Step Framework as a Management Process for Risk Based Due Diligence for Responsible Supply Chains of Minerals from Conflict -Affected and High-Risk Areas (CAHRA’s).
 - B. Regarding Serious Abuses associated with the Extraction, Transport or Trade of Minerals, we will neither Tolerate nor Profit from, Contribute to, Assist or Facilitate the Commission of:
 - i. Torture, Cruel, Inhuman and Degrading Treatment.
 - ii. Force or Compulsory Labor.
 - iii. The Worst Forms of Child Labor.
 - iv. Human Rights Violations and Abuses.
 - v. War Crimes, Violations of International Humanitarian Law, Crimes Against Humanity or Genocide.
3. We also commit to using our influence to prevent abuses by others by informing our Suppliers and Stakeholders of our Policies through paperwork and online vehicles. “SDC” requires Know Your Counterparty (KYC) Forms from Suppliers and Customers to prove legitimization in the Diamond, Gemstone and Precious Metals Industry, as well as an acknowledgement letter that Partnering Companies will follow the points of interest of RJC. Compliant Mechanisms are in place through contacting our Office and Online. Companies that have proven to be Blatant Non-Compliant with RJC Policies will be removed from Supplier/Customer List until Proof of Correction can be shown. Companies that are Suspected of Abuses will be given up to six (6) months to Correct Abuses we will offer our Guidance to Correct Abuse. If after this time period said Company has NOT changed its Practices, we will discontinue working with said Company. If it is suspected by an internal member of “SDC” that any of our upstream Suppliers are sourcing materials from any Conflict-Affected and High-Risk Areas (CAHRAS), they shall immediately alert the Highest-ranking Company Officer available. Their alert shall remain anonymous and will be investigated by upper Management. Each potential alert will be handled individually and will be thoroughly reviewed. Due Diligence will be used to confirm or dismiss the alert presented to “SDC”. Whether the alert is deemed to be in violation will be based on the discretion of “SDC”, the outlined guidelines in this document and in addition to all guidelines set forth by RJC. If there are any questions, concerns or complaints we encourage you contact Craig Race at craig@sdcdesigns.com or call +1 (212) 599-4240.
4. Whereas “SDC” requires the OECD Due Diligence from our Suppliers, we in turn Expect our Suppliers to Conduct their own OECD Due Diligence from their Suppliers.
5. Regarding direct or indirect support to non-state armed groups. **1.** We only sell or purchase diamonds and coloured gemstones that are fully compliant with the Kimberley Process Certification Scheme and System of Warranties. **2.** We will not tolerate direct or indirect support to non-state armed groups, including, but not limited to, procuring diamonds, coloured gemstones and precious metals from, making payments to, or otherwise helping or equipping non-state armed groups or their affiliates who illegally:
 - a. control mine sites, transportation routes, points where diamonds, coloured gemstones and precious metals are traded and upstream actors in the supply chain.
 - b. tax or extort money or diamonds, coloured gemstones and precious metals at mine sites, along transportation routes or at points where diamonds, coloured gemstones and precious metals are traded, or from intermediaries, export companies or international traders.
6. It is the Policy of “SDC” and its Suppliers All Diamond Invoices or Memos are to be fully Compliant with the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties (SoW), stating (where the Invoice is generated):

“The diamonds herein invoiced have been (sourced) purchased from legitimate sources not involved in the funding of conflict, in compliance with the United Nations Resolutions and corresponding national laws.

The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines.”

7. Where National Law prevents the SoW Statement from being included in your Invoice, you should include it in separate accompanying documents.
8. 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 2 or 5.
9. **Regarding Public or Private Security Forces:** We affirm 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 2B or that act illegally as described in paragraph 5.
10. **Regarding Bribery and Fraudulent Misrepresentation of the Origin of Diamonds, Colored Gemstones, Gold, Silver or Platinum Group Metals (PGM'S).** We will not Offer, Promise, Give or Demand Bribes, and will Resist the Solicitation of Bribes, to Conceal or Disguise the Origin of Diamonds, Colored Gemstones, Gold, Silver, or PGM's or to Misrepresent Taxes, Fees and Royalties paid to Governments for the purposes of Extraction, Trade, Handling, Transport and Export of Diamonds, Colored Gemstones, Gold, Silver and PGM's.
11. **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 Diamonds, Colored Gemstones, Gold, Silver, and PGM's.
12. CVD's and Simulants sold to "SDC" MUST be labeled accordingly to Differentiate between Natural and Lab Grown Products. Invoicing MUST Declare Nature of Product as Natural or Lab Grown. Failure to Properly Disclose Natural Origin May Lead to Refunding of Product.
13. AS part of "SDC's" Business, Diamonds, Sapphire, Ruby, Emerald, Semi-Precious Gemstones, Gold, Silver, Platinum Group Metals (PGM's) are used in the production of Jewelry.
14. We hereby Guarantee:
 - A. Diamonds have not Originated from Mbada and Marange Regions Zimbabwe
 - B. Colored Gemstones we supply have been collected from Legitimate Sources, are Conflict-Free and not with Origin from Myanmar/Burma.
15. ALL Diamonds, Colored Gemstones, Gold, Silver, and Platinum Group Metals (PGM's) used in Manufacturing Jewelry are Responsibly Sourced and Conflict-Free.
16. Adherence to U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) Sanctions against Russia for Diamonds, Gemstones and Precious Metals, based on Personal Knowledge and/or Written Guarantees.
17. Jewelry Materials sold to "SDC" are to be Compliant with the State of California Lead and Cadmium Policies (see: Article 10.1.1, Chapter 6.5, Division 20, of the California Health and Safety Code (Sections 25214.1- 25214.4.2).
18. ALL Supplier and Customers MUST Complete a Know Your Counterparty (KYC) Document which contains Basic Background Information, including: Company Contact Information, Owners/Directors and Beneficial Partners. A KYC MUST BE included for ALL Partner Companies. Also, Supplier and Customers MUST complete the Compliance Packet which includes acknowledgement of above Principles for Human Rights, Sourcing Goods and Accepted Trade Practices.
19. KYC Information and facts will be checked against Government Databases including OFAC Sanctions List, World Bank Listing of Ineligible Firms & Individuals and United Nations Security Council. We Will NOT work with Any Company that has been Sanctioned by these Government Organizations.

Policies are updated through Government Notices and Trade Notifications including:

www.responsiblejewellery.com www.kimberlyprocess.com www.worlddiamondcouncil.org www.un.org www.awdc.be
www.gold.org, www.lbma.org.uk www.agta.org

This Policy is reviewed Yearly and will be Modified per updates to Responsible Jewellery Council (RJC) Protocols or Due to a change in Sourcing Practices.

On an annual basis, "SDC" will review its supply chain and publicly report its findings.

Craig Race is the manager of the Supply Chain Policy.

Warm Regards,



Craig A. Race
Director of Production/Compliance Officer
December 2022

To file a grievance against "SDC", please email craig@sdcdesigns.com.
"SDC" ensures that the person / company filing this grievance shall do so without fear of
backlash, retaliation, dismissal or harassment. The grievance filed shall remain confidential.