



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”).
- 2) SDC Designs LLC (SDC) is a fine jewelry manufacturer and wholesaler based in New York City. This policy confirms SDC’s commitment to respect human rights, avoid contributing to the finance of conflict and comply with all relevant UN sanctions, resolutions and laws.
- 3) SDC is a certified member (0000-3554) of the Responsible Jewellery Council (RJC). As such, we commit to following policies relating to the RJC OECD (Organization for Economic Co-operation and Development) Guidance and a commitment to identify and assess risks related to conflict affected and high risk areas (CAHRAs). The areas of concern are:
 - A)
 - a) respect human rights according to the Universal Declaration of Human Rights and International Labour Organization Declaration on Fundamental Principles and Rights at Work;
 - b) do not engage in or tolerate bribery, corruption, money laundering or finance of terrorism;
 - c) support transparency of government payments and rights-compatible security forces in the extractives industry;
 - d) do not provide direct or indirect support to illegal armed groups;
 - e) enable stakeholders to voice concerns about the jewelry supply chain; and
 - f) are implementing the OECD five-step framework as a management process for risk-based due diligence for responsible supply chains of diamonds, colored gemstones, gold, silver & PGM’s from conflict-affected and high-risk areas (CAHRA’s).
 - B) Regarding serious abuses associated with the extraction, transport or trade of diamonds, colored gemstones, gold, silver or PGM’s: We will neither tolerate nor profit from, contribute to, assist or facilitate the commission of:
 - a) torture, cruel, inhuman and degrading treatment;
 - b) forced or compulsory labor;
 - c) the worst forms of child labor;
 - d) human rights violations and abuses; or
 - e) war crimes, violations of international humanitarian law, crimes against humanity or genocide.
- 4) 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. If SDC or any of its subsidiaries suspects an upstream Supplier to be in violation of these practices, we will issue a firm warning to the Stakeholder in order to alert and educate them of the violation(s). If following that warning, the suspected abuses are not corrected (after a maximum of 6 months time), we will STOP engaging with that upstream Supplier. 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 (CAHRA’sS), 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 and Associated Partners. If there are any questions, concerns or complaints we encourage you contact Greg Brannan at jgbrannan@sdcdesigns.com or call +1 (212) 599-4240.
- 5) 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.
- 6) Regarding direct or indirect support to non-state armed groups: 1) We only buy or sell diamonds that are fully compliant with the Kimberley Process Certification Scheme and System of Warranties and 2) will not tolerate direct or indirect support to non-state armed groups, including, but not limited to, procuring diamonds, colored gemstones, gold, silver and PGM’s 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, colored gemstones, gold, silver or PGM’s are traded and upstream actors in the supply chain; or
 - b) tax or extort money, or diamonds, colored gemstones, gold, silver or PGM’s at mine sites, along transportation routes or at points where diamonds, colored gemstones, gold, silver and PGM’s are traded, or from intermediaries, export companies or international traders.
- 7) It is the policy of SDC and its suppliers to be fully compliant with the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties (SoW). All diamond invoices are to be compliant with the WDC SoW, stating “The

diamonds herein invoiced have been {sourced} purchased from legitimate sources not involved in the funding of conflict, in compliance with United Nations Resolutions and corresponding national laws {where the invoice is generated}. The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines.”

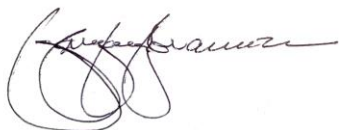
- 8) Where national law prevents the SoW statement from being included in your invoice, you should include it in separate accompanying documents.
- 9) We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are sourcing from, or are linked to, any party providing direct or indirect support to non-state armed groups as described in paragraph 2 or 5.
- 10) 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 2B or that act illegally as described in paragraph 5.
- 11) 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.
- 12) 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.
- 13) CVD's and simulants that are 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 nature origin of product may lead to refunding of product.
- 14) As part of its core business, the following minerals are used by the company: Gold, Silver, PGM, Diamonds, Ruby, Sapphire, Emerald, semi-precious stones.
- 15) 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.
- 16) All minerals used in the manufacturing of jewelry for SDC are responsibly sourced and conflict free.
- 17) 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.
- 18) Jewelry materials that are 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).
- 19) All suppliers and customers must complete a Know Your Counterparty (KYC) document that contains basic background information, including: company contact information, owners/directors and beneficial partners. KYC's must be included for all partner companies. Suppliers must also complete the "Supplier Compliance Packet" that includes acknowledgement of above principles for Human Rights, sourcing of goods and accepted trade practices.
- 20) KYC information will be fact 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.kimberleyprocess.com, www.worlddiamondcouncil.org, www.un.org, www.awdc.be, www.gold.org,
www.lbma.org.uk, www.agta.org

This policy is reviewed annually and will be modified per updates to RJC protocols or due to a change in sourcing practices.

Greg Brannan is the manager of the Supply Chain Policy.



J. Gregory Brannan
Operations and Chief Compliance Officer
August 27, 2024

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