



6 East 45<sup>th</sup> Street, Floor 17. New York, NY 10017  
P: 212-682-4788 [www.colormerchants.com](http://www.colormerchants.com)

March 18, 2020

Dear Sir or Madam,

In our commitment to become an RJC Certified Company, Color Merchants, Inc. has committed to practice the highest professional and ethical standards in the conduct of our business and strive to be in total compliance of these regulations.

In doing so, we commit to follow the guidelines and regulations of the U.S.A Patriot Act and The Organization for Economic Co-operation and Development (OECD) Guidelines. The U.S Treasury Department and The Responsible Jewellery Council (RJC) requires that we document and identify information from those companies from whom we purchase and/or sell to. We would appreciate you taking the time to complete and return the attached form to us. You may mail, email, or fax the attached form to 212-682-1306.

We also included a sheet with our information, so you have it for your records.

Thank you in advance for your prompt response and cooperation in helping us implement these practices.

Sincerely,

A handwritten signature in blue ink that reads "Jordan Peck".

Jordan Peck  
Vice President



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### **Supply Chain Policy**

1. Color Merchants, Inc. (CM) is a fine jewelry manufacturing company based in New York City. This policy confirms Color Merchants commitment to respect human rights, avoid contributing to the finance of conflict and comply with all relevant UN sanctions, resolutions and laws.

2. Color Merchants, Inc. is a certified member of the Responsible Jewellery Council (RJC). As such, we commit to proving, through independent third-party verification, that we:

- 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 jewellery 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 minerals from conflict-affected and high-risk areas.

3. We also commit to using our influence to prevent abuses by others. If Color Merchants, Inc. or any of its subsidiaries suspects an upstream supplier to be in violation of these practices, we will issue a firm warning to the stakeholders in order to alert and educate them of their violation. If following that warning, the suspected abuses are not corrected, we will immediately stop engaging with that upstream supplier. If it is suspected by an internal member of Color Merchants that any of our upstream suppliers are sourcing materials from any CAHRAS, they can immediately alert the highest-ranking company officer available. Their alert will remain anonymous and be investigated by upper level management. Each potential risk will be handled individually and thoroughly reviewed by a member of our upper level management team. We will conduct all due diligence available to confirm or dismiss the risk that has been presented to Color Merchants. Whether risk is deemed to be a violation will be based on the discretion of Color Merchants, the outlined guidelines in this document, in addition to all guidelines set forth by the RJC and all associated partners. If there are any questions, concerns, or complaints we encourage you to reach out directly to our management staff at [info@colormerchants.com](mailto:info@colormerchants.com) or call 212-682-4788.

#### **4. 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:

- a. torture, cruel, inhuman and degrading treatment;

- b. forced or compulsory labour;
- c. the worst forms of child labour;
- d. human rights violations and abuses;

or

e. war crimes, violations of international humanitarian law, crimes against humanity or genocide.

5. We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are committing abuses described in paragraph 4 or are sourcing from, or linked to, any party committing these abuses.

**6. Regarding direct or indirect support to non-state armed groups:**

We only buy or sell diamonds that are fully compliant with the Kimberley Process Certification Scheme and, as such, will not tolerate direct or indirect support to non-state armed groups, including, but not limited to, procuring diamonds 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 are traded and upstream actors in the supply chain; or b. tax or extort money or diamonds at mine sites, along transportation routes or at points where diamonds are traded, or from intermediaries, export companies or international traders.

7. 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 6.

**8. 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 4 or that act illegally as described in paragraph 6.

**9. 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.

**10. 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.

Signed: Jordan Peck

Title: \_\_\_\_\_

Date of effect: \_\_\_\_\_