

2020 ANNUAL IMPACT REPORT

Introduction

For over 35 years, Temple St. Clair has enjoyed tremendous success as one of America's leading women jewelry designers and creative entrepreneurs.

Conservation and philanthropy have always been a part of the company's mission.

In 2020, to expand upon that mission, TSC's executive management team initiated a rigorous process to strengthen the company's foundation in sustainability by implementing a comprehensive Responsible Business Practices program.

To launch this initiative, TSC chose to engage with the sustainability certification program created by the Responsible Jewellery Council (RJC), globally recognized as the jewelry industry's foremost standards-setting and certification body. TSC's timeline for achieving certification is early 2021.

TSC commenced the process of developing far-reaching sustainability systems for its New York City headquarters as well as measurable compliance standards for its extensive supply chain.

The RJC's **Code of Practices** system sets a rigorous framework ensuring greater protection of human rights and financial accountability, proper/humane labor policies and practices, energy and environmental stewardship, safe and healthy working conditions for all stages contributing to TSC's product, transparent product disclosure, and meaningful, effective community engagement.

The Process

The company's first step was to identify, gather, and review local and federal laws applicable to all areas of the Temple St. Clair business.

In addition, the company looked to leading international organizations and guidelines such as the U.N. Guiding Principles for Business and Human Rights; Due Diligence Guidance for Responsible Supply Chains of Minerals from the Organisation for Economic Cooperation and Development (OECD); Conflict-Affected and High-Risk Areas (CAHRA); and the Kimberley Process Certification Scheme (KPCS).

Upon thorough review of applicable laws and guidelines by TSC senior management, policies and procedures appropriate to the Temple St. Clair business were created to address the practices of the company and its supply chain in areas that include human rights, product disclosure, CAHRA, KPCS,

metals and gemstone testing, anti-bribery, anti-money laundering (AML), labor and wages, energy and environment, health and safety, and community initiatives.

All gemstone and manufacturing suppliers were asked to read and sign Temple St. Clair's "Supplier Code of Conduct" statement which conveys the company's commitment and expectations in the areas above.

A supply chain due diligence management system was created and utilized to identify potential risks at each touch point in the company's supply chain.

We began by reviewing the practices of each TSC manufacturer as well as major gemstone suppliers by issuing a comprehensive questionnaire covering key areas of working conditions, energy & environmental programs, labor and human rights policies, fiscal safeguards, and community initiatives.

The data was reviewed and, based on responses, suppliers and manufacturers were rated by level of risk to determine if serious "red flags" were present – i.e., areas that required additional levels of inquiry with regard to responsible business practices, in particular human rights.

TSC followed up by seeking further explanations where needed, and wherever possible, additional documentation was provided. Our ongoing strategy is to regularly investigate, monitor and verify that responsible practices across all areas continue to improve and evolve.

Initial Findings

100% of TSC diamonds are Kimberly Process Certified (KPCS). TSC is seeking additional support via audits and/or alternate certifications to ensure that the KP designations were certified properly.

100% of gold and alloys used in TSC products were verified as responsibly sourced through RJC certified suppliers, along with similar certification entities, verifying the use of best practices. Manufacturers supplied ample documentation that confirmed that metals were either recycled and/or originated from certified, responsible mining entities.

TSC's primary colored gemstone suppliers tend to acquire material directly from mines and are able to verify proper practices, safe and humane conditions, and procedures for environmental stewardship.

Medium-to-smaller-sized colored gemstone suppliers tend to work through more than one upstream provider. Most all expressed strong, longstanding relationships with their supply chain partners, most of which are artisanal in nature.

Many of TSC's direct colored gemstone suppliers cited cases where they provide various forms of support at both the mining and cutting location(s), or within the

communities of the upstream suppliers. However, documentation in the form of site audits and certifications was scarce.

Accordingly, TSC has established a 12-month goal to achieve 100% documented responsible gem sourcing practices and policies. TSC will work closely with important smaller suppliers to generate inspection certifications by connecting suppliers with international NGO's that specialize in bringing proper, sustainable practices to artisanal gemstone miners and cutters. Suppliers that cannot, over time, provide verification will be replaced with those that can.

Key 2020 Accomplishments

A company-wide sustainability management system was created and put in place.

TSC created and implemented policies and procedures that will ensure a continual focus on, and strengthening of, responsible and sustainable business practices.

TSC's Sustainability Committee designed and implemented a supply chain due diligence system for manufacturers and gemstone suppliers.

The company's full staff was trained in applicable laws, TSC policies and procedures, product disclosures, and in general, a comprehensive understanding of the sustainability "mindset" required in all areas of the TSC business.

TSC began communications about our sustainability program not only with suppliers, but also with clients and retail partners.

TSC has published this new Sustainability section on our website that will provide ongoing updates and visibility in to TSC's policies, products, and state of progress in the development of its program and practices.

An ongoing, year-round oversight schedule was designed to monitor compliance and the progress of goals.

Philanthropy in 2020

Temple St. Clair has a tradition of giving back by supporting initiatives that are close to our hearts in community, conservation and art. In 2020, we supported the following initiatives:

SAFH Services and Food for the Homeless - Throughout the early COVID spike and further in to the pandemic, food banks in New York City have been overwhelmed with those in need. TSC gave a gift to SAFH that provided three months worth of meals to the homeless.

Big Life Foundation – Since 2019, Temple has been a member of Big Life’s Advisory Board. In 2020, Temple St. Clair donated funds that support full annual salaries for 21 rangers that work to protect wild life and lands in the Amboseli-Tsavo-Kilimanjaro ecosystem. This gift extends to the annual support 210 of the rangers’ family members in the Maasai community.

Lion Guardians – TSC provided an annual gift to Lion Guardians. Support to this Kenyan-based conservation organization provides local Maasai tribes with tools to effectively mitigate conflicts between people and wildlife, to monitor lion populations, and to help their own communities live with lions.

NarrativeMagazine.org - Narrative supports literacy, the literary arts and provides an extensive free online library to readers and teachers around the world. TSC provides ongoing support to Narrative and re-launched the “Tell Me A Story” Pendant. Proceeds from the pendant go to Narrative.

The Yard – Providing *Creation Residencies* for artists. This unique residency program provides room, board, transport, and stipend to both upcoming and established artists from around the world to live, work, create and perform on the Yard’s campus. Temple & her husband, a former modern dancer have been involved in supporting dance and choreography for decades.

Key Goals for 2021

Instill an ongoing Sustainability “mindset” throughout the TSC culture.

Establish that a minimum 90% of gemstones in TSC jewelry are deemed “responsible & sustainable” through proper documentation or otherwise reliable forms of verification. Our goal will be 100% compliance by the end of 2021.

Forge relationships with NGO’s that can support TSC’s suppliers in establishing sustainability “frameworks” that ensure greater confidence in supply chain practices.

Ensure that TSC shipping and packaging supplies are composed of eco-friendly materials. Require that our suppliers ship to us with only recyclable and/or compostable materials.

Working towards 100% plastic free workplace. Actively seeking alternatives to plastic bag usage for jewelry storage.

Eliminate personal single-use plastics in the workplace, particularly take-out containers. To help the TSC team achieve this goal, we will work to identify local vendors that provide sustainable delivery systems.

Review and upgrade (where possible) office lighting, AC, heating, electrical, and appliances for those with optimal energy efficiency.

Expand our philanthropic focus to create evergreen initiatives that continue to support community, conservation and art.

