

## HUMAN RIGHTS AND SUPPLY CHAIN POLICY

*Color Jewels Inc* is an import and export precious stone and diamond Jewelry company. *Color Jewels Inc* interacts with numerous right holders such as individuals and organisations daily as part of its normal operations. We have therefore a responsibility to respect the human rights of our colleagues, our business partners, our contractors, the communities we operate in and the people who work throughout our supply chain.

### Commitment

To this purpose, we are committed to respecting and upholding all internationally recognised human rights, understood, at a minimum, as those expressed in the *Universal Declaration of Human Rights* and the *International Labour Organization Fundamental Rights at Work*. We are committed to avoid contributing to the finance of conflict and comply with all relevant UN sanctions, resolutions and laws. We are particularly aware of the right to Free Prior and Informed Consent (FPIC) and will conduct due diligence to obtain FPIC even if national law does not require it.

At *Color Jewels Inc.*, we all have a responsibility, individually and collectively to maintain a work environment that reflects respect and dignity. We implement our commitments through our Employee Handbook which includes provisions on human rights issues such as:

- Non-discrimination and harassment,
- Promoting equality and value the diversity that colleagues bring,
- Ensuring a safe working environment,
- No child labour and no forced labour,
- Enabling colleagues to have a voice through our grievance mechanism.

1. *Color Jewels 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 Fundamental 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; and
  - e. enable stakeholders to voice concerns about the jewellery supply chain.
  - f. 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.
2. Furthermore, we are committed to developing and adopting a proactive approach to tackling hidden labour exploitation. Hidden labour exploitation is exploitation of job applicants and workers by third party individuals or gangs other than the employer or labour provider including rogue individuals working within these businesses, but without the knowledge of management. It includes forced labour and human trafficking for labour exploitation; payment for work-finding services and work-related exploitation

such as forced use of accommodation. It is understood that it is often well-hidden by the perpetrators with victims, if they perceive of themselves as such, reluctant to come forward.

In addition, we accept that job finding fees are a business cost and will not allow these to be paid by job applicants. As such we will:

- Not use any individual or organisation to source and supply workers without confirming that workers are not being charged a work finding fee.
  - Ensure that all staff responsible for directly recruiting workers are trained to be aware of issues around third-party labour exploitation and signs to look for and have signed appropriate Compliance Principles.
  - Ensure that labour sourcing, recruitment and worker placement processes are under the control of trusted and competent staff members.
  - Adopt a proactive approach to reporting suspicions of hidden worker exploitation to the Task Force hotline at 1-888-469-7365 and police.
  - Provide information on tackling “Hidden Labour Exploitation” to our workforce through workplace posters, worker leaflets and induction.
  - Encourage workers to report cases of hidden third-party labour exploitation, provide the means to do so and investigate and act on reports appropriately.
  - Positively encourage and support employees and agency workers to report such exploitation which may be occurring within their communities via our reporting channels detailed below.
  - Require labour providers, if used, and other organisations in the labour supply chain to adopt policies and procedures consistent with the above.
3. Through proactive due diligence aligned with the UN Guiding Principles on Business and Human Rights, we seek to avoid adverse human rights impacts resulting from our own activities (actions and omissions), and complicity in the adverse impacts caused by others (business relationships that are directly linked to our operations, products, or services), committing to using our influence to prevent abuses by others.

We are fully aware of the potential for labour and human rights abuses to occur in supply chains, as well as the opportunity to use our commercial leverage to drive change and positive impact on human rights. We recognise that it is our responsibility as a business to respect and enhance the rights of people in the supply chain, by seeking to build our business partners’ capacity to respect human rights through ongoing guidance and engagement.

### **3.1. Regarding serious abuses associated with the extraction, transport or trade of diamonds/coloured gemstones.**

We will neither tolerate nor profit from, contribute to, assist or facilitate the commission of:

- g. torture, cruel, inhuman and degrading treatment;
  - h. forced or compulsory labour;
  - i. the worst forms of child labour;
  - j. human rights violations and abuses; or
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- k. war crimes, violations of international humanitarian law, crimes against humanity or genocide.

**3.2.** We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are committing abuses described in 3.1 or are sourcing from, or linked to, any party committing these abuses.

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

We only sell or purchase diamonds/coloured gemstones 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/coloured gemstones from, making payments to, or otherwise helping or equipping non-state armed groups or their affiliates who illegally:

- l. control mine sites, transportation routes, points where diamonds/coloured gemstones are traded and upstream actors in the supply chain; or
- m. tax or extort money or diamonds/coloured gemstones at mine sites, along transportation routes or at points where diamonds/coloured gemstones are traded, or from intermediaries, export companies or international traders.

**3.4.** 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 3.3.

**3.5. 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 3.1 or that act illegally as described in paragraph 3.3.

**3.6. Regarding bribery and fraudulent misrepresentation of the origin of diamonds/coloured gemstones**

We will not offer, promise, give or demand bribes, and will resist the solicitation of bribes, to conceal or disguise the origin of diamonds/coloured gemstones, or to misrepresent taxes, fees and royalties paid to governments for the purposes of extraction, trade, handling, transport and export of diamonds.

**3.7. 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/coloured gemstones.

**Governance, responsibility and implementation.**

While human rights are the responsibility of all of us at *Color Jewels Inc.*, implementing this policy rests with **Tarun Dangayach**.

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We are committed to conducting ongoing human rights due diligence and to engage with our key stakeholders around the world to continue to improve our approach. If human rights issues are identified, we will seek to both remedy them and understand the root causes of these abuses. We will develop and implement training on this policy for key Color Jewels, Inc. employees and business partners.

### **Grievance Mechanism**

*Color Jewels, Inc.* is committed to providing access to effective remedy in the event we cause or contribute to an adverse impact (violation of this Policy or the law), while preventing repercussions against the reporter. Our ongoing work is to embed human rights considerations in all relevant business decisions.

*Color Jewels, Inc.* has established this grievance mechanism to hear concerns about circumstances in our own operations, our products/services and our business relationships, including our supply chain and where it involves diamonds/coloured gemstones from conflict-affected and high-risk areas. Both internal and external stakeholders are encouraged to use the below Grievance Mechanism. In addition, all personnel are encouraged to report all abuses or non-compliance to their immediate manager. Manager will then bring it to their director who will bring it to one of the owner's attentions to take the necessary steps to immediately correct the issues.

**Tarun Dangayach** is responsible for implementing and reviewing this mechanism. Concerns can be raised by interested parties via email or telephone, including anonymously, to:

*Tarun Dangayach*

212-764-2823

646-708-3690

[tarun@colorjewels.net](mailto:tarun@colorjewels.net)

On receiving a complaint, we will aim to:

- Get an accurate report of the complaint.
  - Explain our complaint procedure.
  - Find out how the complainant would like it addressed/ resolved.
  - Assess the eligibility of the complaint and, where applicable, decide who should handle it internally. In cases where we are unable to address the complaint internally (e.g. where our company is too far removed from the origin of the issue raised in the complaint) , we may redirect it to a more appropriate entity or institution, such as the relevant supplier or industry body.
  - Where the issue can be handled internally, seek further information where possible and appropriate.
  - Identify any actions we should take including hearing from all parties concerned and monitoring the situation.
  - Advise the complainant of our decisions or outcomes.
  - Keep records on complaints received and the internal process followed, for at least five years.
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Signed/endorsed by:



**TARUN DANGAYACH -PRESIDENT**

**Date of effect:03/18/2022**

**Reviewed date:03/18/2022**

**Date of next review:03/17/2023**

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