

# FDW RESPONSIBLE SOURCING POLICY Compliance Procedures

## *FDW RESPONSIBLE SOURCING POLICY-Gold, 3Ts*

### Requirements:

The FDW RESPONSIBLE SOURCING POLICY apply to all gold products (finished and components), and to all products containing gold, with the exception of watches. Suppliers are required to certify the gold supplied to FD Worldwide, either by certification of all gold manufacture and supply, or, if this is not possible, by segregating manufacture and supply of gold to FD Worldwide from the manufacture and supply of gold to other customers.

FDW RESPONSIBLE SOURCING POLICY only accepts gold from Refiners, Banks, Precious Metal Trading Companies/Alloy Suppliers that can be independently verified to be from refinery sources as below:

- Refiners on LBMA “Good Delivery” list
- Refiners on the Responsible Minerals Initiative Conformant Smelters and Refiners list
- Refiners on DMCC “Dubai Good Delivery” list
- Refiners which are certified Members of the Responsible Jewellery Council (RJC)
- Refiners certified in accordance with RJC Chain of Custody, RJC Provenance Claims, OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas, or Fairtrade Gold Standard.
- Refiners certified under SCS Global Services’ “Responsible Source” Standard for Precious Metals
- Refiners which certified that all supplies to the refinery are from mines which comply with the World Gold Council Conflict-free Standard
- Refiners which certify that all supplies to and by the refinery are in accordance with the China Chamber of Commerce of Metals, Minerals and Chemicals Importers & Exports “Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains”

### **Compliance Policy**

F.D. Worldwide requires our sourcing supplier RNP Jewelry Design Limited (a Hong Kong based company) to share gold procurement records and production allocation report pertinent to Purchase Orders issued from F.D. Worldwide.

For ease of compliance, it is agreed and implemented that all gold purchased will bear the refiner stamp from refiners of LBMA “Good Delivery” List.

### Requirements:

In accordance with FD Worldwide's Supplier Code of Conduct, the same obligations and criteria will apply to subcontractors as apply to FD Worldwide's direct suppliers.

### **Compliance Policy:**

F.D. Worldwide source chains for necklace product from pre-selected chain suppliers and requires compliance to FD Worldwide FDW RESPONSIBLE SOURCING POLICY-Gold requirements. Refer to letter issued to chain suppliers.

### Requirements:

The FDW RESPONSIBLE SOURCING POLICY only accepts scrap and/or recycled gold from:

- Suppliers which certify and independently audit that all scrap and recycled gold is identifiable as its own production and supply
- Suppliers which certify and independently audit that all scrap and recycled gold is acquired according to Know Your Counterpart ("KYC")
- Companies which certify and independently audit that all gold supplies are responsibly sourced and "conflict-free" in accordance to RJC CoC, RJC Provenance Claim, OECD Due Diligence Guidance, SCS Global Services' Responsible Source" Standard

The FDW RESPONSIBLE SOURCING POLICY accepts gold in any form from any of the sources listed above which is held by suppliers, banks, refiners, metals trading companies, scrap suppliers or subcontractors and which has a verifiable date prior to 1 January 2012, in accordance with OECD, LBMA and RJC guidelines.

### **Compliance Policy:**

F.D. Worldwide accepts Grandfathered gold, which is gold sourced with verifiable production date prior to 1st January 2012 for our production for FD Worldwide.

## ***FDW RESPONSIBLE SOURCING POLICY-Silver and PGMs***

### Requirements

Suppliers are required to undertake due diligence on all sources of supply of silver and PGMs, even if the quantity of these materials are small. There is no "de minimis"/minimum level of supply, so for such small volumes (e.g. of plated materials, repair solders), suppliers are required at a minimum to ask subcontractors to verify their sources of silver and PGMS, and this inquiry should be documented.

Suppliers are required to certify the silver and PGMs supplied to FD Worldwide, either by certification of all silver and PGMs manufacture and supply, or, if this is not possible, by segregating manufacture and supply of silver and PGMs to FD Worldwide from manufacture and supply of silver and PGMs to other customers.

FDW RESPONSIBLE SOURCING POLICY only accepts Silver and PGMs from Refiners, Banks, Precious Metal Trading Companies/Alloy Suppliers that can be independently verified to be from refinery sources as below:

- Refiners on LBMA “Good Delivery” list
- Refiners certified in accordance with MKS PAMP Group Responsible Precious Metals Guidance for Silver and PGMs, RJC Chain of Custody, OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High Risk Areas, or Fairtrade Gold Standard.
- Certified recycled/scrap from previous manufactured sources from refiner which has public “Know Your Counterparty” procedures in place.

### **Compliance Policy**

F.D. Worldwide requires our sourcing supplier RNP Jewelry Design Limited (a Hong Kong based company) to share silver and PGMs procurement records and production allocation report pertinent to Purchase Orders issued from F.D. Worldwide.

For ease of compliance, it is agreed and implemented that all gold purchased will bear the refiner stamp from refiners of LBMA “Good Delivery” List.

## ***FDW RESPONSIBLE SOURCING POLICY-Diamonds***

### **Requirements**

FD Worldwide expects Suppliers to take steps to increase the percentage of material supplied to FD Worldwide with identified provenance to an original producer, over time. The FDW RESPONSIBLE SOURCING POLICY applies to all diamonds supplied to FD Worldwide including loose rough and polished diamonds, and diamonds set into finished jewelry.

All Suppliers are to take substantive and documented action to avoid the inclusion of undisclosed laboratory-grown/laboratory-created/synthetic diamonds, undisclosed treated diamonds or undisclosed diamond simulants in parcels provided to FD Worldwide.

All parties involved in the international trade of rough diamonds shall comply with the Kimberley Process Certification Scheme (KPCS) minimum requirements and recommendations as incorporated into the applicable legislation of countries where they operate. All parties involved in buying and selling diamonds, whether rough, polished or set in Jewellery, shall adopt the World Diamond Council System of Warranties (SoW).

### **Compliance Policy**

F.D. Worldwide supply of diamonds in finished jewelry falls under Category 3 (Mixed Sources)-Diamonds are derived from a number of sources, with some percentage of the diamonds deriving from a known, identified and verified source. As our sourcing company, RNP Jewelry Designs Limited is required to get warranty and assurance on “conflict-free” supplies of polished loose stones.

To insure no mixing of undisclosed laboratory grown diamonds, documentation of screening of loose stones before and after production to be provided. RNP Jewelry Designs Limited will provide online access to screening report via inter-company secured VPN connection.

While we do not trade in rough diamonds, we do supply polished diamonds set in jewelry, as such, we shall require that each individual invoice you issue (and receive) for diamonds must carry the SoW warranty statement:

*“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 WCD SoW Guidelines.”*

## ***FDW RESPONSIBLE SOURCING POLICY-COLORED GEMSTONES (RUBY, SAPPHIRE, EMERALD)***

### **Requirements**

Gemstone treatments that are not permanent, create special care requirements or have a significant effect on the product’s value should be disclosed to consumers. These include coating, impregnation, irradiation, and heating, as well as nuclear bombardment, surface diffusion, or dyeing.

While heating and irradiation are treatments that are normally permanent and require no special care, we recommend disclosing these treatments anyway.

Laboratory-created Gemstones. Laboratory-created gemstones must have essentially the same optical, physical and chemical properties as their natural counterparts. You can use a gemstone name to describe laboratory created stones only when the gemstone name is immediately preceded by equally conspicuous word or phrase that make clear the human-made nature of the stone.

### **Compliance Policy**

F.D. Worldwide supply a collection of finished jewelry set with Precious Gemstones – Ruby, Sapphire, and/or Emerald mounted on precious metal. These Precious Gemstones are mined natural stones; the usual permanent treatments are disclosed where applicable.

F.D. Worldwide also supply a collection of finished jewelry set with Created Gemstones – Created Ruby, Created Sapphire, and/or Created Emerald mounted on precious metal, usually the lower valued Sterling Silver. Our laboratory-created gemstones are disclosed with “Created” preceding the name of the gemstone bearing the same optical, physical and chemical properties as their natural counterparts.