

ANNUAL BUSINESS RESPONSIBLE REPORT

For the year 2024. Dated: 1st, April 2024

DDLNY

529 5th Avenue, Suite 1700,
New York, NY 10017
Tel: 212-947-4038, ext-101
Fax: 212-564-9012

Section A: General Information about the Company:

THE DDLNY DIFFERENCE

DDLNY is a diamond jewelry wholesaler and quasi-manufacturer that services large specialty jewellers, department stores, warehouse clubs and dotcoms in the USA. Our goal is to service a few select customers which allows us to tailor our product and infrastructure to service their needs. This applies to product development, customer service, shipping, and each customer's specific needs.

Our team – Cooperative & Flexible

Our people are our greatest strength - we have an experienced & multifaceted team of merchandisers, designers, artisans, analysts, and fulfilment specialists. Together we strive to create an environment where we go above and beyond to not only service, but to anticipate our customers' needs and requirements and follow through on them.

Our product – High perceived value

We develop and manufacture composite bridal and fashion private label designs and collections. Our designs are based upon basic high turn styling with a twist.

We are passionate about our product; constantly striving to bring fast turning, well made and high perceived value private label product to market. In addition, we have a stable of exclusive patented styles and setting techniques which further increases the perceived value of our product. We have gotten a reputation of being "tinkerers," constantly working to improve and fine tune our product.

Manufacturing – Right product, Right Price, Right Time

While we are headquartered in New York City, we also have a global sourcing network of factories and sourcing associates in India, and China. This ensures we are delivering the right product at the right price at the right time.

Section B: Financial compliance of the DDLNY:

2.1 Money Laundering, Terrorism Financing, Other Financial Offences

Current Status

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- DDLNY recognizes the fact that entities in the gems and jewelry sector must take on the onus of analysing their potential vulnerabilities to money laundering and implement specific steps that are required for protection against abuse by criminals.
- Strict compliance is ensured at all the entities and compliance officer has been appointed at entity level who in turn reports to DDLNY CFO on compliance status on annual basis.
- Know Your Counter Party and other compliance of Due Diligence is followed in line with OECD guidance.
- Ongoing monitoring is conducted along with all stakeholders.

Area of concern & Remedial Measures

- Nil As on Date.

2.2 Kimberley Process and System of Warranties

- DDLNY is fully committed to complying with all the requirements specified in the Kimberley Process Certification Scheme of World Diamond Council's (WDC) System of Warranties Declaration.
- Day to day monitoring and compliance of SOW is done by entity compliance officer.
- DDLNY is committed towards conflict free sourcing and zero tolerance policy is followed at DDLNY level.

Area of concern & Remedial Measures

- Nil As on Date.

2.3 Anti-Bribery and Facilitation Payment Policy:

- The DDLNY shall ensure complete prohibition Bribery and facilitation payment across organization and in all the entities.
- DDLNY has published compliance team contact details on website to receive any grievance or complaints.

Area of concern & Remedial Measures

- Nil As on Date.

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2.4 Ethical Sourcing of Loose Diamonds, Gold, Silver, PGM, Tungsten studded Jewellery Policy:

- Our company is concerned about the environment and social impacts of irresponsible mining.
- DDLNY has identified the risk of supply chain with respect to Conflict Affected High Risk Area.
- DDLNY ensure all its supplies are screened for conflict free supplies.
- We have published the OECD based ethical sourcing policy and we are communicating our policies to all the supply chain partners and pushing them to adopt the same.
- We have followed all the 5 steps of OECD, our recertification audit is Schedule recently in June-24 and once that is done we will have our OECD Annual report ready , which can be shared to customers and other stack holders on request. Email request to be sent to email address of compliance officer mentioned our ethical policy, which is also published on our website.

Area of concern & Remedial Measures

- Current concern is lack of awareness about OECD regulation and requirements of sourcing.
- We have started creating awareness about our Ethical sourcing requirements for our supply chain.
- We started Engagement with our global supply chain for obtaining the further supply chain information to ensure ethical and conflict free sourcing in metal business.

2.5 Social Compliance

- We ensure full compliance with all applicable national and, where appropriate, international laws / regulations with respect to employment and labour codes in all our establishment.
- We respect all regulation for child labour, forced labour, non-discrimination, non-retaliation etc.
- Employees rights are respected and adhere to freedom of association and collective bargaining regulations.

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Area of concern & Remedial Measures

- No point has been reported in the social compliance of the DDLNY where remedial measures at DDLNY level is required.
- Entity level remedial measures are taken based on internal and external audits conducted by reputed agencies.

2.6 Health and Safety

- We at DDLNY are concerned about the health and safety of employees and are constantly studying about any adverse impact of our business processes that are identified and eliminated. Towards this end, we will systematically review our operations to identify sources of health and safety related risks.
- This review will use appropriate standards as required by prevailing laws, expert opinion, and our knowledge of best practices.
- All our staff will be trained in the manner required to adhere to these work practices and drills.
- All workplaces are constructed to meet safety standards with local regulations as the minimum standards that will be applicable.

Area of concern & Remedial Measures

- Nil as on date, as no accidents are reported in last one year.
- Organization has been blessed and we did not have any fire or any other incidents leading to dangerous circumstances.

2.7 Human Rights

- DDLNY is not and will not interfere in the right of employees to observe tenets or practices based on caste, race, national origin, gender, religion, disability, union membership, or political affiliation.
- The Company strongly discourages any form of sexually coercive, threatening, abusive or exploitative behaviour.
- Any reported incidents relating to direct or indirect physical, sexual, racial, religious, psychological, verbal, or any other form of harassment or abuse, or any other form of intimidation or degrading treatment will not be tolerated by the company.
- DDLNY ensures that none of its suppliers and stakeholder have engaged in any activity which can violate the Human Right Principles.

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Area of concern & Remedial Measures

- No Area of concern & Remedial Measures has been raised in the Human right for any of our operating units.
- Supplier's further upstream compliance with respect to Human Right compliance for conflict free sourcing is a new development, where company is heading and would require more focus on the same.

2.8 Environment Protection

- DDLNY is Complying with all applicable environmental laws and regulations.
- The impact of each of our operations on the environment are studied systematically and assessed for compliance with appropriately defined standards and reviewed periodically to mitigate or eliminate such impact.
- Disposal procedures for waste generated are followed in line with the applicable national and international regulations.
- Improvement is seen employee's environmental awareness and performance with the help of detailed policies and procedures, training, and recognition of excellence.

Area of concern & Remedial Measures

- Emerging need for sustainable growth and responsible manufacturing is the area for improvements and management has suggested step by step approach to grow in these directions.

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