



RJC ANNUAL REPORT

BY LEGEND JEWELRY

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Description of the company

Legend Jewelry is located in Hong Kong with production plants in China and Thailand. Legend believes in offering wide ranges of exceptional quality fine jewelry to customers all over the globe. Our emphasis is on design originality coupled with the ability to identify industry trends that allow us with immediate response to fulfill different market needs.

Legend Jewelry believes quality craftsmanship is the essence of its success. Founded in 1992, it is the company's mission to provide customers with high-quality, stylish and creative jewelry. Prevalent, stylish and timeless are Legend's design. This policy confirms Legend Jewelry's commitment to respect human rights, avoid contributing to the finance of conflict and comply with all relevant UN sanctions, resolutions and laws

Legend is serious to maintain a responsible supply chain. We have adopted a responsible sourcing policy requesting our suppliers to comply with the Dodd-Frank Act legislation on Conflict Minerals and we only accept LBMA Gold and request our suppliers to take the same approach. We will reduce the risk of conflict mineral and screen our suppliers by conducting due diligence in our supply chain from time to time and also request our suppliers to implement the same practices.

Apart from gold, our responsible policy also covers diamonds and gemstones sourcing. While due diligence will be conducted from time to time in our supply chain, we will screen and accept responsibly sourced materials from suppliers who are accredited with industrial related standards such as Debeers Best Practice Principles Assurance Programme (BPP) or RJC certified members

With this statement, Legend wishes to refresh the policies, risk assessment, risk assessment management system and grievance

**WE
BELIEVE
IN
PATIENCE
AND
QUALITY**

Legend Jewelry
believes quality
craftsmanship is the
essence of its
success. Our loyal
customers often
satisfied with our
product quality and
customer oriented
services quality.

mechanism, which aim to prevent or mitigate negative consequences related to our procurement practices.

Organizational structure

Our supply chain only includes suppliers and business partners that are RJC certified or accredited by RJC harmonizing industrial standard as our corporate policies. We have our products manufactured through our production plants located mainly in Thailand and China.

Policies

Legend requires our suppliers to comply with the ethical principles set out in its Supplier Code of Conduct and to ensure that their own suppliers and subcontractors comply with these principles.

This Supplier Code of Conduct specifically specifies the obligation to respect social issues and to respect and adhere to moral and ethical values in the management of the company with regard to human rights, working conditions and environmental issues.

Legend is aware of the potential social consequences of its activities, particularly in relation to the sourcing of raw materials. For this reason, we have defined a responsible approach to sourcing and policies to operate ethically and with respect for human rights.

Apart from setting up our responsible sourcing policy, we have established a compliance board for on-going management in routine monitoring on compliance related issues

- Legend is committed to act responsibly and to work with trusted suppliers that are willing to uphold and obligate with the Kimberley Process or World Diamond Council's code of provision, an initiative bringing together governments, industry and civil society and aiming to prevent the circulation of conflict diamonds through an international certification system.
- Since 2021, Legend has been a member of the Responsible Jewellery Council and took the first move to advocate the RJC Code of Practice. The Responsible Jewelry Council (RJC) is a non-profit organization established to promote a common standard for responsible ethical, social and environmental practices that respect human rights throughout the supply chain of gold, platinum mined metals, diamonds and colored stones from mining to retail.
- Legend is committed to strengthening systems and controls for the respect of human rights throughout the supply chain. Therefore, our compliance board will regularly assess the adequacy of the procedural framework and identify opportunities for continuous improvement.

Supply chain risk assessment

In association with programs and the principles promoted by the Responsible Jewellery Council, Legend monitors social and human rights risks throughout the supply chain.

To this end, we have implemented a supplier risk management process, consisting of the following components that we will seek out the current status from our supply chain:

1. The sources of diamonds/colored gemstones. This is specifically the furthest upstream point in the supply chain that the diamonds/colored gemstones can be identified as originating from e.g. company, mine or specific geographical area of production.
2. The percentage or proportion supply on diamonds/colored gemstones from different categories:
 - a. Rough/polished diamonds/colored gemstones from known large-scale mining or artisanal and small-scale mining producers that provide information on the original source of production (e.g. company, mine or specific geographical area of production is known)
 - b. Rough/polished diamonds/colored gemstones from established suppliers or open market where there is some, but limited, information on the original source of production (e.g. country of origin is known)
 - c. Rough/polished diamonds/colored gemstones from established suppliers or open market where there is no information available on the original source of production.
3. The traceability on Gold or other precious metal to its originated source to the best knowledge of the suppliers

Through supplier responses to the questionnaire and knowledge of supplier activities, Legend has reviewed, screened and identified potential risks. As of November 2022, no particular risks have been highlighted.

Due diligence and control of suppliers

Legend has established terms in our agreements with suppliers that they need to obligate with our responsible sourcing policies. Any suppliers failed to do so will be rejected from our list. As a result, Legend is working to strengthen its internal procedures and processes with particular attention to diamond sourcing through the implementation of a due diligence process throughout its diamond supply chain, in line with the OECD Duty of Care Guide for Responsible Supply Chains of Minerals from Conflict and High Risk Areas.

Training and awareness

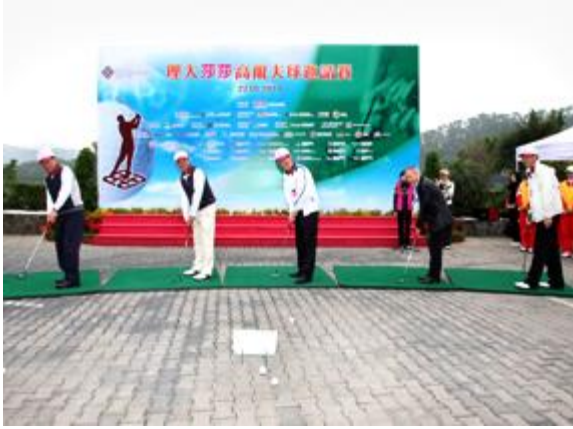
Employees have been trained in ethics and compliance to comply with the RJC code of practices standard. At Legend, we promote an interactive communication culture which our employees are encouraged to conversant with and express their concerns to management via the compliance board. The system allows employees to report in a secure and totally confidential manner any actual or potential violation of internal guidelines and procedures, ethical principles and applicable laws and regulations.

Community Development, Anti-money laundering and Health & Safety

Community Development

In recent years, Legend have taken part in charitable activities, making partnerships with various volunteer organizations, helping foundations and holding special thematic events. Under the Chairmanship of Legend Jewelry, 1 million dollars were raised for the Hong Kong Polytechnic

University during the "PolyU Sa Sa Invitation Golf Tournament" event in January 2021. More than 60 teams comprising prominent business and community leaders, PolyU alumni and friends gathered together for the fun-filled event which has raised over \$1 million funding for the University.



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Financial Compliance

KYC and AML:

Legend is committed to responsible business practices, including anti-money laundering ("AML"), and we have implemented specific steps to ensure compliance with AML efforts including written policies and controls.

-Strict compliance is ensured at all the entities, and a compliance officer has been appointed at entity level, who in turn reports to our executive team on compliance status on at least an annual basis.

-We have Know Your Counterparty ("KYC") and other compliance of Due Diligence that we followed, in line with Responsible Jewellery Council ("RJC") guidance that follows OECD guidance.

-We are continuously monitoring our policies with all stakeholders.

As of November 2022, we have not had any areas of concern as of the writing of this report.

Kimberley Process and System of Warranties:

-Legend has been and continues to be 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.

-We have established our supplier terms and all suppliers are requested to obligate with our responsible sourcing policy. Our due diligence practices serve as regular assessment tools for our supply chain.

-Legend is committed towards conflict free sourcing without any exceptions. We are committed to zero tolerance policy on conflict related materials

Anti-Bribery and Facilitation Payment Policy:

Legend ensures complete prohibition on Bribery and facilitation. We have established our AML policy and our compliance board will closely monitor for any risk on Bribery and facilitation

Our stakeholders can contact us for information to receive any grievances or complaints.

As of November 2022, we have not had any areas of concern as of the writing of this report.

Health & Safety

Legend always strides to provide a healthy and Safe environment:-

-We have provided safety related training such as fire prevention to our staff in the manner required to minimize health and safety related risks.

-Legend is concerned about the health and safety of our employees and is constantly seeking to identify and eliminate any adverse business practices. We care about the physical and psychological well-being of our employees and try our best to provide work-life-balance for our staff.

-We systematically review our operations to identify sources of health and safety related risks.

-Our offices are equipped with safety equipment, such as fire extinguishers and first aid kits

-All workspaces are constructed to meet safety standards with local regulations as the minimum standards that will be applicable.

-We provide all the necessary Personal Protective Equipment to staff handling hazardous chemicals