



Bill S-211: Fighting Against Forced Labour and Child Labour in Supply Chains Act

Annual Report - May 24, 2024

Corporate Structure

Charm Jewelry Limited and its subsidiaries Crescent Jewellers and Appliances Limited, Charm Jewelry (Newfoundland) Limited, Charm Jewelry (Ontario) Limited, Charm Jewelry (Alberta) Limited and 3300393 Nova Scotia Limited do business under the banners: Charm Diamond Centres, Crescent Gold and Diamonds and Ben Moss Jewellers. Our Canada Revenue Agency Business number is 100926385; our registry of Joint Stock Companies number is 1049708.

Fiscal Reporting Year

September 1, 2022 to August 31, 2023

Activities

Our company has 85 physical retail store locations that sell fine jewelry and watches and giftware in nine Canadian provinces. We also support three web stores for each banner that fulfill orders from our head office in Nova Scotia.

Supply Chains

Our international supply chain consists of vetted long term jewelry manufacturers in Italy, India, Turkey, Indonesia, Thailand, China and Mexico. A small portion of our jewelry supply chain and all our watches and giftware are supplied from Canadian vendors. Our boxes, some supplies and display props are imported from China or the United States.

Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

We require our significant vendors to attest that:

1. That you do not employ forced labour or child labour.
2. That you have taken steps to be assured that your suppliers do not employ forced labour or child labour in your supply chain.
3. That your employees have been trained to recognize and ensure that your suppliers do not employ forced labour or child labour in your supply chain.

In addition, if the vendor supplies us with diamonds, we require them to attest that:

1. They state on all invoices that the diamonds have been purchased from legitimate sources not involved in funding conflict, in compliance with United Nations resolutions and corresponding national laws. The seller guarantees that all diamonds invoiced are conflict free and in

compliance with the Kimberly Process Certification Scheme (KPCS) which sets out the requirements for controlling rough diamond production and trade based on national laws, practicality and applicability in the country, environment, and ecosystem where a particular adherent operates. This requires buyers and sellers of rough diamonds, polished diamonds and jewelry set with diamonds to include a warranty statement on B2B invoices and memos each time a diamond changes hands, assuring the next buyer that it originated from sources in compliance with the KPCS. We have these written attestations on file in our head office in Nova Scotia.

2. Some of our products contain Canadian diamonds and/or Canadian gold which is traced by the manufacturer to the point of origin. We have a process for tracking these products and have written attestations of their origin.

Risk of Forced Labour or Child Labour in our Supply Chains

We do not believe that there is a risk of forced labour or child labour in our supply chains. All our supply chain vendors are located in well-regulated countries with legislated and enforced human rights. Our diamond supply chain vendors also attest to adhering to the Kimberley Process Certification Scheme (KPCS) which ensures diamonds are not sourced from countries that allow forced or child labour.

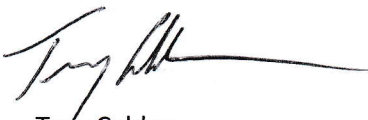
Ensuring Compliance in our Supply Chains

Each significant supplier has signed a document attesting to their compliance of our policies in relation to the elimination of forced labour and child labour. We have these documents on file in our head office in Nova Scotia.

Additionally, we visit some of our suppliers' factories on an ad hoc basis and at that time diligently ensure that they comply with their attestations. It is our intention to increase the number of these visits in the years to come.

Corporate Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Troy Calder
President

May 24, 2024

I have the authority to bind Charm Jewelry Limited