

2024



AYURA HOLDINGS (PRIVATE) LIMITED

ETHICAL BUSINESS POLICY DOCUMENT

MARCH 18, 2024

Sri Lanka

Policy Document	Policies	Rev. No. 00
Doc. No. AHL-001		Date: 18-03-2024

DOCUMENT APPROVAL

Applicability

This document shall be applicable from March 18th, 2024, and subject to at least annual review or else as and when any activity of the company changes or any incident reported by the business partners pertaining to applicability and scope of this document. This document shall be endorsed by the senior management of the group.

Scope of material

Scope of material is polished diamonds/diamond studded jewellery/coloured gemstone/gold, silver and platinum.

Product

Polished diamonds and Diamond Studded Jewellery

Entities

Ayura Holdings (Private) Limited is Sri Lanka based Jewellery manufacturing and Retail group with trading facility in Hong Kong.

This Policy Document (AHL-001) is to define rules and regulations and way of working for the operations and activities of the company in relation to the requirements of Responsible Jewellery council and ethical business practice. Policies mentioned in this document shall supersede, If any contradiction in entity level policy and this document.

The contents of this document have been reviewed and approved by Director and subject to Annual review.

All internal and external stakeholders of the companies are required to be familiar with this document and follow the risk mitigating measures identified in this document.

Management is responsible to make changes / revisions to this document and all business partners and stake holders are advised to report any issues violating this document.

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Policy on Responsible Jewellery Council

Ayura Holdings (Private) Limited is a group in diamonds and jewellery supply chain mainly in polished diamonds and diamond studded jewellery. We have manufacturing facility and retail store in Sri Lanka and trading office in Hong Kong. Ayura Holdings (Private) Limited shall be member of the Responsible Jewellery Council (RJC).

The RJC is a standards-setting organization established to advance responsible ethical, human rights, social and environmental practices throughout the gold, silver, platinum group metals, diamond and coloured gemstone jewellery supply chain. The RJC has developed a benchmark standard for the jewellery supply chain and credible mechanisms for verifying responsible business practices through third-party auditing.

As an RJC member, we commit to operating our business in accordance with the RJC Code of Practices. We commit to integrating ethical, human rights, social and environmental considerations into our day-to-day operations, business planning activities and decision-making processes.

Policy on Corporate social Responsibility

While we run our business based on the expectations of our diverse stakeholders, we also understand the importance of contributing to making the world a better place. At Companies, we strongly believe in the concept wherein the company contributes to building economic, social and environmental imperatives.

Corporate Social Responsibility (CSR) aims to contribute to societal goals of a philanthropic, activist or charitable nature or by engaging in or support volunteering or ethically oriented practices.

Our CSR Policy aims to the betterment of a sustainable society and this commitment is ingrained in our core values. We aim to demonstrate these through our actions governed by the CSR policy. This policy applies to our Company and its all activities and may also refer to our suppliers and partners.

Policy on Environment/Social and Governance

Business Ethics and Transparency

- We will conduct our operations in an open, honest and ethical manner.
- We will ensure that all our operations are legitimate.

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- We undertake to keep every partnership and collaboration open and transparent.
- We recognize the importance of protecting all our human, financial, physical, informational, social, environmental and reputational assets
- We will advise our partners, contractors and suppliers of our CSR Policy and will work with them to achieve consistency with the policy

Environment Health And Safety

We are committed to provide a safe and healthy work environment and will not compromise the safety of any individual.

We recognize that environmental pollution prevention, biodiversity and resource conservation are key to a sustainable environment and will integrate the same into our business practices.

All employees and contractors are responsible and accountable for contributing to a safe working environment, for fostering safe working attitudes and for operating in an environmentally responsible manner.

Governance

Companies will undertake its CSR activities as approved by the CSR Committee, through a registered trust or society. The Company will assist the CSR Committee to identify the areas of CSR activities, programs and execution of initiatives as per the guidelines defined. The surplus funds if any arising out of the CSR activities will not form part of the business profit of the Company. The surplus funds will be used in the development of CSR projects in the following year. It will be mandatory for (Companies) to disclose its CSR Policy, programs/projects undertaken, and the expenditure made towards CSR activity. Following activities shall be carries out in 2024;

- Donation to Hospitals
- Financial support for social and cultural activities.

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Whistle-Blower Policy

The Companies has a set policy and Procedure document and firmly believes that it should be implemented in a true spirit with the involvement of all stake holders. Further, the company shall always involve all stake holder in the process of continues improvement and welcome reporting of any incident or observation of breach of policy and procedure from any third party of stake holder. At the same time company shall always believe that any person who reports the breach incident or observed any violation of policy should be provided adequate immunity against any adverse impact on his job or any threat to his/her life or any form of harassment and torture.

The company shall always maintain the confidentiality of the whistle blower and shall not disclose identity of the whistle blower without written consent from the whistle blower. The company shall always ensure that the person who has reported incident of violation for policy and procedure shall not be penalized or harassed or torture or threaten by any individual.

Business policies of company assure that all employees or third party who comes forward in good faith to report issues, that they will be treated fairly and respectfully. While all efforts will be taken to protect the anonymity of employees as far as practicable, any form of retaliation.

Against any such individuals, assuming they have not been involved in the violation will not be tolerated.

Company encourages employees or any third party to voice concerns promptly, if they have a genuine reason to believe that a policy, company operation or practice is or will likely be in violation of any law, regulation or internal company rule or policy, including this. In case of any incident with the Whistle-Blower he/she can report to entity head and external lawyer on following number & Email.

info@ayuraholdings.com(Management representative)

mehul.sidhpuria@gmail.com (Advocate - External Member)

Our employees, suppliers and other parties can report concerns and alleged violations of supply chain/sourcing/due diligence policy of both the companies as follows:

Reports can be made anonymously and will be kept confidential to the fullest extent practicable and allowed by law.

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We will not take any retaliatory action against our employees, suppliers, or other parties who make a report in good faith.

Our suppliers are encouraged to contact if they wish to seek guidance on the application of this Policy.

Conducting Business Ethically, with Integrity and in Fairness/Complying DPIS Requirement

Ensuring that all business activities are conducted in an honest, ethical, professional and accountable manner is fundamental to the core philosophy of our group. Ayura Holdings (Private) Limited and Group committed to comply with best practice principal requirement/DPIS compliance including melee requirements. The senior management shall carry out at least annual review during and self-assessment and submit the report to the management team.

AYURA HOLDINGS (PRIVATE) LIMITED are committed to combating dishonesty and fraud in all business transactions in order to maintain and enhance consumer trust in, and the reputation of the diamond industry.

The entities of the AYURA HOLDINGS (PRIVATE) LIMITED shall strive to get similar commitment from their business partners. The Group is committed to maintaining the highest standards of financial integrity for the benefit of all our stakeholders.

All accounting records, and reports produced from those records, must be maintained and presented according to the laws of each applicable jurisdiction.

Compliance with generally accepted accounting principles in the country where the entity is incorporated and the entity's system of internal controls is required at all times.

It is the responsibility of AYURA HOLDINGS (PRIVATE) LIMITED to pursue its corporate value enhancement through sound business practices. Our business activities have direct and indirect impact on the societies in which we operate, and therefore sound business practice requires that business decisions give due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities. All employees in all our entities must endeavor to conduct the business of AYURA HOLDINGS (PRIVATE) LIMITED accordingly.

In making business decisions, employees must act on an informed basis, in good faith, and in the honest belief that the action taken is in the best interest of the Group.

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The group has put in place programmes that monitor the effectiveness of these commitments and hence supporting all workers in this endeavor.

Modern Slavery And Human Trafficking

Modern slavery is a heinous crime and a morally reprehensible act that deprives a person's liberty and dignity for another person's gain. It's a real problem for millions of people around the world, including many in developed countries, who are being kept and exploited in various forms of slavery. Every company is at risk of being involved in this crime through its own operations and its supply chain.

At Company, we have a zero-tolerance approach to modern slavery and are fully committed to preventing slavery and human trafficking in our operation and supply chain.

We fully support the government's objectives to eradicate modern slavery and human trafficking.

We call upon all suppliers we engage with to influence their global supply chains by improving transparency and accountability; and together we can help the government eradicate the injustice and brutality of modern slavery and human trafficking.

We have taken concrete steps to tackle modern slavery and have set out the actions that we have taken to understand all potential modern slavery risks related to our business, and to implement steps to prevent slavery and human trafficking.

Company operates the following policies for identifying and preventing slavery and human trafficking in our operations:

We encourage all employees, customers and suppliers to report any suspicion of slavery or human trafficking without fear of reprisal. There are formal confidential channels in place should this be required.

Code of Conduct - our code encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and

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managing our supply chain.

Sanctioning suppliers that fail to improve their performance in line with our requirements.

We require all suppliers to follow that:

- Are fully transparent, accountable and auditable and are free from ethical ambiguities.
- They don't use any form of forced, compulsory or slave labour.
- Their employees work voluntarily and are entitled to leave work.
- They provide each employee with an employment contract that contains a reasonable notice period for terminating their employment.
- They don't require employees to post a deposit/bond and don't withhold their salaries for any reasons.
- They don't require employees to surrender their passports or work permits as a condition of employment.

Policy Statement of Child Labour

- a. No form of child labour should be employed at Companies

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- b. The minimum age for employment that will be applicable is fifteen (As per ILO Convention No. 138).
- c. For authorized adolescents (persons below 18 years of age but above 15 years), the entity management is responsible for providing working conditions, hours of work and wages in compliance with applicable local laws as a minimum.
- d. If a child is found working at Companies either own or subcontracted, the responsibility of rehabilitation will be undertaken by the management.
- e. The above policies will also be applicable to all business partners.

Policy Statement of Forced Labour

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The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

- a. The management of Companies are fully committed to ensuring that forced or involuntary, bonded, indentured or prison labour, is not practiced nor used in any form at any of its facilities. Companies shall ensure that there is no restriction in the freedom of movement of employees and dependents. Any reported incidents relating to forced labour will be considered as a serious violation of the Business Policies.
- b. The following definitions will be applicable:
 - The Universal Declaration of Human Rights that states that *‘No one shall be held in slavery or servitude’*

ILO Convention 29, which defines forced or compulsory labour as ‘all work or service which is extracted from any person under the menace of any penalty, and for which the said person has not offered himself voluntarily’

Sourcing directly from Artisanal and small-Scale Mining

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Artisanal and small-scale mining (ASM) refers to formal or informal operations by individuals, groups, families or co-operatives that can involve up to hundreds of thousands of miners. ASM usually uses little capital and a lot of labour and is carried out with minimal or no mechanization (although it can involve small and fully mechanized operations).

The exact definition of ‘artisanal’ and ‘small’ mining may be stated by national legislation and categorised according to, for instance, a mining organization’s volume of production of ore or mineral, the size of its concession or the level of mechanization. Using best endeavors means acting honestly, reasonably and with a positive effort to perform the relevant obligation. Under this provision, it means a company’s efforts to reduce or avoid the risks of harmful practices in ASM (including human rights abuses, unsafe work and environmental harm).

Vulnerable groups are characterized by their higher risk and reduced ability to cope with shock or negative impacts. Their vulnerability may be based on socio-economic condition, gender, age, disability, ethnicity or other criteria that influence people’s ability to access resources and development opportunities. It is always specific to the particular location and time.

The company shall never source any material directly from Artisanal and small-Scale Mining and in case if any such material sourced, Regularly assess risks outlined in COP 7 areas (including impacts to biodiversity), and seek opportunities for ASM community development in line with COP 10 (Community development) access the risk of unsafe working condition and environmental impact.

The company shall support ASM for risk mitigation and business development plan for the ASM and the company always have a fair commercial term.

Policy Statement Kimberley Process

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The policies relating to this section are part of the Business Policies adopted by Companies are presented below for reference:

- a. Companies are fully committed to complying with all the requirements specified in the Kimberley Process Certification Scheme and World Diamond Council's (WDC) System of Warranties Declaration.
- b. The definition of 'Conflict Gemstone Diamonds' as agreed by the Kimberley Process will be adopted i.e.

"Rough diamonds used by rebel movements or their allies to finance conflict aimed at undermining legitimate Governments, as described in relevant United Nations Security Council (UNSC) resolutions in so far as they remain in effect, or in other similar UNSC resolutions which may be adopted in the future, and as understood and recognized in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in the future."

- c. Wherever applicable, the following affirmative statement as recommended by the World Diamond Council's System of Warranties should be printed on all the invoices:
- d. *"The diamonds herein invoiced have been purchased from legitimate sources not involved in funding conflict, in compliance with United Nations Resolutions and corresponding national laws. The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines."*
- e. Entering into transactions involving 'conflict diamonds' or not following the System of Warranties Declaration in invoices, either knowingly or unknowingly, will be considered as a violation of the Business Policies.
- f. Companies ensures that concerned personnel within the organization know about government restrictions on the trade in Conflict Diamonds, the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties.

Policy Statement General Employment, Working hours, Remuneration

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- a. Companies complies with applicable national laws / regulations with respect to employment.
- b. Companiesis committed to maintaining appropriate records as stipulated by the regulatory authorities for all staff employed, whether on a full time, part time or seasonal basis.
- c. Companies shall not require workers to work for more than the national limit of hours in a week on a regular basis, with overtime hours not to exceed the national permitted limit per week on a regular basis unless there are legal opt-outs.
- d. Companies shall ensure that wages and benefits for a standard working week shall meet at least national minimum standards and shall be sufficient to meet the basic needs of workers.
- e. Wages shall be paid to employees on a regular and predetermined basis in a manner and location convenient to employees, accompanied by a wage slip detailing wage rates, benefits and deductions as applicable.
- f. Companies shall ensure that due process of wage deductions shall be followed where applicable and it shall not be binding on employees to buy provisions from the companies.
- g. When required, due recognition will be given to the existence, membership and lawful activities of worker representative bodies, and worker representatives will be given access to carry out their responsibilities / functions.
- h. Companiesis committed to addressing the legitimate grievances of its employees.
- i. Companies shall follow proper procedure as per law for dismissal of employees, in case the need for the same arises, and arbitrary dismissal procedures shall be avoided.
- j. Information regarding applicable employment policies and working practices shall be communicated in a transparent manner to all employees.
- k. Companies are fully committed to the pursuance of the provision of fair and conducive employment conditions, consistent with applicable laws and regulations.
- l. The group ensure that there are equal opportunities for all individuals who are fit to work provided for all aspects of employment, including recruitment, wages, benefits, promotions, training, transfer, termination, and retirement.

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Policy Statement Money Laundering and Finance of terrorism

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- a. Companies recognizes the fact that entities in the gems and jewelry sector have to take on the onus of analyzing their potential vulnerabilities to money laundering and implement specific steps that are required for protection against abuse by criminals.
- b. Strict compliance is required at all times, with all applicable national and, where appropriate, international laws / regulations with respect to money laundering, terrorism financing, bribery, corruption, smuggling, embezzlement, fraud, racketeering, transfer pricing and tax evasion.
- c. Companies shall act in accordance with national laws and national / international accounting standards with respect to maintaining financial accounts of all business transactions and auditing of its financial accounts.
- d. Companies ensures that concerned employees know and understand the relevant regulatory jurisdiction for national and international transactions, money laundering / financial offences related legal, regulatory and internal requirements as they apply to their jobs. Ignoring or not reporting suspicious activity that appears to be questionable may also be considered as a violation of the Business Policies, depending on the seriousness of the non-conformance.
- e. Companies implements a “Know your Customer” and “Know your Supplier” procedure that establishes the identity of all organizations with which it deals, have a clear understanding of their business relationships and have a reasonable ability to identify and react to transaction patterns appearing out of the ordinary or suspicious.

Policy Statement of Freedom of association and Collective Bargaining, Discrimination and Discipline and Grievance Procedures

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

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- a. Companies will not prevent employees from associating and collective bargaining, Discrimination can mean distinction, exclusion or preference.
- b. Any form of discrimination relating to the hiring, discharge, pay, promotion and training of employees on the basis of race, ethnicity, caste, national origin, religion, age, disability, gender, marital status, physical appearance, sexual orientation, HIV status, Migrant status, membership of worker representative bodies, political affiliations, or any criteria that are unlawful is strongly discouraged by Companies and any such reported incidents will be viewed as a serious violation of this Business Policies.
- c. Companies will ensure that employees who have certain life-threatening diseases or illnesses are not treated differently from other employees, and will continue to employ such personnel, as long as they are physically and mentally fit to attend to their normal job responsibilities. Individuals who are "Fit for Work" shall be accorded equal opportunities and shall not be discriminated against on the basis of factors unrelated to their ability to perform their job.
- d. Companies shall not use corporal punishment under any circumstances and will ensure that employees are not subjected to harsh or degrading treatment, sexual or physical harassment or other forms of mental or physical coercion, abuse or intimidation.
- e. Companies encourages all personnel to voice concerns promptly, if they have a genuine reason to believe that a policy, entity operation or practice is or will likely be in violation of any law, regulation or internal entity rule or policy, including this Business Policies. Companies assures all employees who come forward in good faith to report issues, that they will be treated fairly and respectfully. While all efforts will be taken to protect the anonymity of employees as far as practicable, any form of retaliation against any such individuals, assuming they have not been involved in the violation, will not be tolerated.
- f. Ayura Holdings (Private) Limited and Group strictly prohibit all forms of discrimination, harassment and bullying and violation. No employees or visitors shall be allowed to discriminate, harassment be it verbal or physical and bullying any individual. The group requests all individual to behave respectfully and adhere to the policy.

Policy Statement of Product Integrity

- a. Companies are committed to complying with relevant trading standard legislation and specific national and local regulations applicable to its products.

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- b. The following essential Policies will be applicable in all transactions of Companies involving diamonds, treated diamonds, synthetics and stimulant
- **Disclosure** - Companies shall fully and accurately disclose the material characteristic of their products. All reasonable efforts shall be made to properly disclose all relevant information on the physical characteristics, such as mass/weight, cut, cut, colour, clarity or fineness, of a diamond or gold jewellery product.
 - **Misrepresentation** - No untruthful, misleading or deceptive statement, “representation” or material omission in the “selling”, “advertising” or distribution of any diamond, treated diamond, synthetic, or simulant, or any gold product, shall be made by the companies and its entities in any medium, including the internet
 - **Diamond Quality** - The weight, colour, clarity or cut of diamonds will be described in accordance with the recognized guidelines appropriate to the particular jurisdiction.
 - Full disclosure i.e. the complete and total release of all available information about a Diamond and all material steps it has undergone prior to sale to the purchaser, irrespective of whether or not the information is specifically requested and regardless of the effect on the value of the diamond.
 - No misuse of terminology or misrepresentations or attempts to disguise the product will be made in the selling, advertising and distribution of treated diamonds, synthetics and simulant.
 - The word ‘diamond’ will not be used in the case of names of firms, manufacturers or trademarks; in connection with treated diamonds or diamond simulant or synthetic Diamonds.
- c. Companies has adopted the following definitions:

Diamond: A diamond is a natural mineral consisting essentially of pure carbon

crystallized with a cubic structure in the isometric system. Its hardness in the Mohs scale is 10; its specific gravity is approximately 3.52; it has a refractive index of 2.42 and it can be found in many colours.

Synthetic: A synthetic is any object or object that has been either partially or wholly crystallized or re-crystallized due to artificial human intervention such that, with the exception of being non-natural, the product meets the requirements specified in the definition of the word ‘diamond’ above.

Treated Diamond: A treated diamond is any object or product that meets the requirements specified in the definition of the words ‘diamond’ and ‘synthetic’

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above, but has been subject to some form of treatment i.e. any process, enhancement changing, interfering with and/or contaminating the natural appearance or composition of a diamond other than historically accepted practices of cutting and polishing. This includes colour and decolourisation treatment, fracture filling, laser and irradiation treatment and coating.

Simulants: A diamond simulant is any object or product used to imitate some or all of the properties associated with a diamond and includes any material, which does not meet the requirements specified in the definition of the word 'diamond' above.

Policy Statement Product Security

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- a. Companies are committed to establish and implement product security measures within the premises and during shipments to protect against product theft, damage or substitution.
- b. The security and well being of employees, visitors and other relevant business partners is prioritized when establishing product security measures.

Disclosure of Treated Diamonds, Synthetics and Stimulants
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The policies relating to this section are part of the Business Principles adopted by Companies. and are presented below for reference:

The following essential principles will be applicable in all the entity's transactions involving treated diamonds, synthetics and stimulants.

- Full disclosure i.e. the complete and total release of all available information about a diamond and all material steps it has undergone prior to sale to the purchaser, irrespective of whether the information is specifically requested and regardless of the effect on the value of the diamond.
- Full disclosure to the purchaser will take place when offered for sale, such that
 - Full verbal disclosure will clearly take place during sale.
 - Full written disclosure will be conspicuously included on each bill of sale or receipt in plain language and readily understandable to the purchaser. Written discloser will normally be in English language
- No misuse of terminology or mis-representations or attempts to disguise the product will be made in the selling, advertising and distribution of treated diamonds, synthetics and stimulants.
- The word 'diamond' will not be used in the case of names of firms, manufactures or trademarks; in connection with treated diamonds or diamond stimulants or synthetic diamonds."

" **Companies**" has adopted the following definitions:

Diamond: A diamond is a natural mineral consisting essentially of pure carbon crystallized with a cubic structure in the isometric system. Its hardness in the Mohs scale is 10; its specific gravity is approximately 3.52; it has a refractive index of 2.42 and it can be found in many colours.

Synthetic: A synthetic is any object that has been either partially or wholly crystallized or re-crystallized due to artificial human intervention such that, with the exception of being non-natural, the product meets the requirements specified in the definition of the word 'diamond' above.

Treated Diamond: A treated diamond is any object or product that meets the requirements specified in the definition of the words 'diamond and synthetic' above, but has been subject to some from of treatment i.e. any process, enhancement changing, interfering with and/or contaminating the natural

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appearance or composition of a diamond other than historically accepted practices of cutting and polishing. This includes color and decolourisation treatment, fracture filling, laser and irradiation treatment and coating.

Stimulants: A diamond stimulant is any object or product used to imitate some or all of the properties associated with a diamond and includes any material, which does not meet the requirements specified in the definition of the word 'diamond' above.

Diversity, Equity and Inclusion Policy

Ayura Holdings (Private) Limited is committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion.

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Whole structure of the company comprised of management with different experience, skills and capabilities. Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our reputation and company's achievement as well.

We embrace and encourage our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique.

Ayura Holdings (Private) Limited. diversity initiatives are applicable—but not limited—to our practices and policies on cross cultural activities and development, skill enhancing programmes, recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- The company has hired external experts who can support employees in enhancing required knowledge to perform task
- Addressing financial need over and above remuneration (including medical expense, educational loans and accommodation supports)
- All employees will be supported in the development of their skills to help maximize their potential.
- Bullying, harassment, and all forms of discrimination (direct or indirect) will be prohibited. Every report of discrimination and harassment will be taken seriously and acted upon.
- Togetherness and Respectful communication and cooperation between all employees.
- Teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- Work/life balance through flexible work schedules to accommodate employees' varying needs.
- Employer and employee contributions to the communities we serve to promote a greater understanding and respect for the diversity.
- We follow zero shouting work culture "No Yelling"

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All employees of Ayura Holdings (Private) Limited. have a responsibility to treat others with dignity and respect at all times. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events. All employees are also required to attend and complete annual diversity awareness training to enhance their knowledge to fulfil this responsibility.

Any employee found to have exhibited any inappropriate conduct or behaviour against others may be subject to disciplinary action.

Employees who believe they have been subjected to any kind of discrimination that conflicts with the company's diversity policy and initiatives should seek assistance from a supervisor or an HR representative.

Management responsibility

Management responsibilities for the policy may include:

- Regularly review the benefits, terms, and conditions of employment to ensure they are equal and not discriminatory
- Ensure no employees is discriminated against or harassed because of the discrimination
- Provide training to all employees on their role in preventing discrimination in the workplace

Policy on person with disabilities

The policy applies to persons with disabilities entering or already working in the Organization, including those who may acquire a disability in the course of employment. The policy approved by the management is effective on 1st December 2020.

"Persons with disabilities" include those who have long-term physical, mental, intellectual or sensory impairments, which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others.

The company recognizes that persons with disabilities include those whose have a permanent disability and is readily apparent and those whose disabilities are less apparent. Whether or not a permanent disability is readily apparent, any chronic medical condition that may have a repercussion on a person's capacity to work or lead a normal life may require adaptation of the working environment through reasonable accommodation.

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The company is committed to providing equality of access to employment, advancement and retention in the Organization, recognizing that it is in the Organization's interest to recruit and maintain a diverse and skilled workforce that is representative of the diverse nature of society, which includes persons with disabilities.

The company will make every effort to be an employer of choice when the best candidate for the job has a disability, and will tap into sources of top-notch talent. The company will hire the best person for the job, regardless of disability the company notes that positive measures designed to meet the particular requirements of persons with disabilities are not regarded as discrimination against other staff members.

The Organization undertakes to promote a workplace culture based on fair practices which will safeguard the rights of persons with disabilities to be treated with dignity and respect and to enjoy equal terms and conditions of employment. However, treating people equally does not necessarily mean treating them the same. People with disabilities may have specific requirements which must be met in order for them to be included in the workforce. Every member of the company workforce is expected to contribute to creating and sustaining such a workplace.

During the application process, candidates who make their disabilities known will be requested to detail any accommodation they may require to enable them to compete for the position on an equal basis with other candidates. All reasonable efforts will be made by the Organization to comply with such requests.

The rights of persons with disabilities will be protected on an equal basis with others, including the right to just and favourable conditions of service, and to equal opportunities and equal remuneration for work of equal value. This also encompasses safe and healthy working conditions, including protection from harassment and the redress of grievances.

Persons with disabilities will not be discriminated against at any point in the employment cycle. This concerns all matters related to recruitment, selection, appointment, career guidance and development, learning opportunities, performance evaluations, promotions, transfers, retention in employment and return to work.

Policy Statement Bribery and Facilitation Payments

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

- a. Companies are committed to prohibit bribery in all business practices and transactions that are carried out by the company or on its behalf by business partners. The company will not offer, accept or countenance any payments, gifts in kind, hospitality, expenses or promises as such that may compromise the principles of fair competition or constitute an attempt to obtain or retain business for or with, or direct business to, any person; to influence the course of the business or governmental decision – making process.
- b. Companies consider Bribery Risk as it applies to its organization (including agents) to identify which areas pose high risks. Companies has developed appropriate methods to monitor conduct of employees and agents and eliminate bribery based on this understanding.
- c. The management of Companies facilitates the reporting of incidences of attempted bribery or inappropriate gifts within their organization and shall apply appropriate sanctions for bribery and attempted bribery in all forms.
- d. Companies ensure that no employee will suffer demotion, penalty or other adverse consequences for voicing a concern, or for refusing to pay a bribe or facilitation payment even if this action may result in the enterprise losing business.

Policy Statement Community Engagement and Development

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

- The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:
- Companies are committed to the development of communities where they operate, contributing to their social and economic welfare.

Policy Statement Environmental protection, Use of Energy and natural resources

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

Companies are committed to effective environmental performance and will focus on the following initiatives:

- Conduct business in an environmentally responsible manner.
- Compliance with all applicable environmental laws and regulations
- The impact of our operations on the environment will be assessed and reviewed periodically to mitigate or eliminate such impact.
- Disposal procedures for waste generated will be clearly defined and practiced in line with standards that are set by law.
- Improvement of employee environmental awareness and performance through training.
- Efficient use of energy and natural resources to minimize waste generation through efforts that include recycling and prevention of pollution.
- Commitment to a continual improvement process in environmental management

Policy Statement Health and Safety

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

Companies recognizes the need to develop a sustainable, value creating business and is committed to the following in the areas of workplace health and safety:

- Providing safe and healthy working conditions for all employees in accordance with applicable law and other relevant industry standards.
- Any adverse impact of our business processes on those who carry it out shall be identified and eliminated. Towards this end, we will systematically review our operations to identify sources of health and safety related risks.
- We will provide adequate and appropriate labeling and storage of all chemicals and cleaning materials and adopt methods to protect employees from exposure to airborne particles and chemical fumes
- Our review of our processes will use appropriate standards as required by prevailing laws, expert opinion, feedback from workers and our knowledge of best practices. The review will lead to formulation of clearly described work practices and safety drills and appropriate safeguards and isolation from mobile equipment. All our staff will be trained in the manner required to adhere to these work practices and drills.
- Workers shall not be under the influence of or abusing, drugs, alcohol and/ or other illegal substances.
- We will seek to substitute the use of material, which are known to cause an adverse impact on the health of workers or health of consumers in the course of its use.
- All workplaces will be constructed to meet safety standards with local regulations as the minimum standards that will be applicable.
- We will take adequate measures to safeguard our employees from fire and other workplace injuries.
- All products sold by Companies to consumers shall comply to applicable regulations of product health and safety.

Policy Statement of Human Rights

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

- a) All employees in Companies will be treated with equality, respect and dignity.
- b) Companies believes in and respects fundamental human rights according to the United Nations Universal Declaration of Human Rights.
- c) Companies 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
- d) Companies strongly discourages any form of sexually coercive, threatening, abusive or exploitative behavior.
- e) 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 companies.
- f) Security personnel, if employed by Companies are trained to respect the human rights and dignity of all people and use of minimum force proportionate to the perceived threat.
- g) Wherever the any violation of human rights are observed, the company shall take mitigation action and if needed hire an external non-governmental organization for the implementation.
- h) Human rights risk assessment shall be done annually covering internal and external stakeholders.
- i) The company shall conduct human right risk assessment and upon any violation observed internal or external stake holders, company shall develop and implement risk mitigation plan according to severity of incident. The company may seek assistance from external NGO's or experts to develop and implement mitigation plan and monitoring.
- j) The company shall provide support and consultation to external stakeholders upon written request by the business partners.

Policy Statement Use of Security Personnel

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
		Date: 18-03-2024
Doc. No. AHL-001		

The policies relating to this section are part of the Business Policies adopted by Companies and are presented below for reference:

Security personnel, if employed by Companies, are trained to respect the human rights and dignity of all people and use of minimum force proportionate to the perceived threat.

Ethical Sourcing/Due Diligence and Risk Assessment Policy

Date: 18/03/2024
Place: Sri Lanka

Policy Document	Policies	Rev. No. 00
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The Policy promotes the standards that we expect all our suppliers to comply with when producing and supplying Diamonds/Jewellery/Coloured Gemstone to Companies, no matter where they operate in the world. We hereby inform all our suppliers to provide the first mine of origin for the material they supply to us. We request all our suppliers not to supply any material that is subject to restriction as per EU Reg. 833/2014

The senior management of Companies advocate this policy, and we shall review as and when changes in the process or compliance requirement or any violation of sourcing policy or Changes in risk and due diligence criteria. We shall carry out review of this entire document at least annually.

We recognize that full compliance with these criteria may take time for some suppliers, and we are committed to working with our suppliers to implement improvement plans and help them achieve compliance.

Member Companies are committed to working in partnership with its suppliers to help achieve compliance with this Policy.

All the supplier should comply with national and international law and trade requirement like RJC with respect to Bribery and Corruption, Financial Offence, Labour Rights, Kimberley process and World Diamond Council – SoW, Product disclosure, Labour Rights, Working Condition, Child labour, Forced labour, Human rights, Discrimination, Fair wages and working hours, Environment compliance, Health and safety of the employees and visitor.

Policy – Supply Chain and Ethical Sourcing

At Companies, we take Ethical business practice, social and environmental factors into consideration in making decisions on the procurement of Jewellery or polish diamonds.

This Policy shows company's commitment and its expectations for its product suppliers regarding actions to address Conflict Diamonds.

Companies expects it's suppliers to have in place policies and due diligence measures that will enable us to reasonably assure that diamonds supplied to us containing conflict free diamonds are not belongs to Conflict-affected and high-risk areas – CAHRAs .

We being a responsible company, Companies supports the goal of the Dodd-Frank Act of preventing armed groups in the conflict affected and high risk countries from benefitting from the sourcing of Conflict diamonds from that region.

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Companies are committed to working with its suppliers to educate them on these matters and concerning steps they can take to obtain increased transparency regarding the origin of diamonds mined or manufacture and sell to Companies. Companies reserves the right to evaluate the extent to which a supplier has failed to reasonably comply with this Policy.

Companies reserves the right to request additional documentation from its suppliers regarding the origin/source of diamonds sold to Companies.

Suppliers who do not reasonably comply with this Policy shall be reviewed by Companies 's for future business.

We shall communicate to our supplier to derive firs mine of origin and we request all our supplier through this policy to share with us for first mine of origin for diamond/gold and other relevant materials.

Companies are committed to ensuring that our supply chain is free of any diamonds which was procured for the support or benefit of armed and anti-social conflict groups or involving serious abuses of human rights and non-compliant with OECD Guidelines.

Companies clearly criticizes such activity and will reject any material which we believe was obtained involving serious human rights violations or which benefitted or supported armed rebels or terrorist groups through illegal finance or other activities.

The company shall carry out risk assessment for its supply chain and shall not enter into any business relationship or if may require then shall suspend/discontinue the engagement with any such supplier involved in dealing with Conflict-Affected and High-Risk areas, Any form of Human Right Violation; Torture, Cruel, In-Human and Degrading Treatment; Forced/Compulsory Labour; Child Labour; Abuses such as widespread Sexual Violence; War Crimes; other serious violations of International Humanitarian Law, Crime against Humanity; Genocide and/or To Bribe or To be Bribed. We strictly condemn and prohibit any Direct/Indirect support to public/private security forces which illegally Control, Tax or Extort money from Mining Sites, Transportation Routes and Upstream Sectors.

The Company shall carry out due diligence to assess risks related to procurement from the Conflict-affected and high-risk areas – CAHRAs and shall always source from compliant miners/traders.

We shall always set reasonable efforts to source Diamonds from miners and traders validated as being Conflict Free and require their direct and indirect suppliers to do the same;

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We strive to work supportively with our customers and supply chain partners in implementing conflict free compliance programs for Diamond Supply chain.

Policy – Due Diligence and Risk Assessment

The company shall always undertake to ensure that the extraction and trade of diamond support peace and development, not conflict.

Companies remain committed to enhance its Supply Chain Due Diligence program through internal review and external assessments. We have zero tolerance policy for the supplier violating OECD due diligence guideline and we shall immediately stop commercial relationship if any of our business associates found non-compliant or High-Risk during our internal/external risk assessment.

All the suppliers are also requested to carry our risk assessment and due diligence for their suppliers and products they are sourcing.

Currently Companies procure it's diamonds from RJC CoP/Ethical business practice compliant miners/traders. However, we have established a strong due diligence process and we shall review it as an when we observed significant risk or upon receipt of any grievance or complaint but in normal course, we shall carry our due diligence process on annual basis.

Identify red-flags and Risk

The company has checked transaction methods and name and individuals of company on SDN list of USA treasury and EU sanction list. All the suppliers are found low in risk and in compliance with OECD requirement of CAHRA's.

Risk mitigation plan

- ✓ Company shall always deal with legitimate company.
- ✓ Always complete due diligence and risk assessment before establishing commercial relationships.
- ✓ Make sure that do transaction shall be carried out with business sense.
- ✓ Immediately stop commercial relationship upon any violation observed an report to concerned internal and external reporting authority.
- ✓ Continuously monitor suspicious transactions and red flag records
- ✓ Communication and awareness to suppliers

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Supplier Risk Assessment /Due Diligence Report

We the senior management of Companies and compliance officer has verified all our supplier with respect to following ;

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

US OFAC Sanctions/EU Sanctions/Global Peace Index/Know Your Country

Transparency International (TI)

The Office of the United Nations High Commissioner for Human Rights (OHCHR)

<http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/conflict-affected-and-high-risk-areas/>

Publication (Detailed report is with Compliance team and may produce to concerned parties upon request)

We have conducted risk assessment and due diligence of all our suppliers and customers with respect to latest OECD requirements and RJC guideline and we found all our supplier are complying with requirements did not find any risk pertaining to their business involvement in Conflict Affected and high-risk Areas' (CAHR's).

<u>Sr#</u>	<u>Description</u>	<u>Comments</u>
1	Is company dealing with any illegitimate customers/suppliers?	No
2	Any violation of CAHRA's during last one year?	No
3	Dealing with any illegitimate business partners?	No
4	Any incident of Human right violation or financial offence observed?	No
5	Suppliers are complying with OECD requirements?	Yes
6	Any material sourced from Violated area?	No
7	Any unethical business practice observed in any business partners activity ?	No
8	Over all Suppliers Risk assessed in assessment period?	Low

Date: 18/03/2024

Place: Sri Lanka

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