

H.Dipak Group has prepared and implemented following policies as a part of policy and Procedure document. All these policies shall be endorsed by the senior management of the group. Scope is this policy is Rough and Polished diamonds/coloured Gemstone/Gold/Silver/Platinum Group covering sales and purchase of diamonds and jewellery

The compliance office along with senior management shall carry out review of this policy at regular interval or as and when changes activity or any such situation arise that need updates or at least once in a year in the policy and procedure.

The company shall communicate these policies to all business associates through making it publicly available either on website of the company or through display it on the company notice board. The compliance office shall mail these policies through mail or sending hardcopy to business associates wherever possible.

These policies are applicable to all our group companies involved in Diamond and Diamond Studded Jewellery supply chain.

#### Supply Chain Policy

1. H.Dipak Group is doing sales and purchase of diamond and jewellery with cutting and polishing and jewellery manufacturing activity. This policy confirms H.Dipak Group's commitment to respect human rights, avoid contributing to the finance of conflict and comply with all relevant UN sanctions, resolutions and laws.
2. H.Dipak Group is a member of the Responsible Jewellery Council (RJC). As such, we commit to proving, through independent third-party verification, that we:
  - respect human rights according to the Universal Declaration of Human Rights and International Labour Organization Declaration on Fundamental Principles and Rights at Work; do not engage in or tolerate bribery, corruption, money laundering or finance of terrorism;
  - support transparency of government payments and rights-compatible security forces in the extractives industry;
  - do not provide direct or indirect support to illegal armed groups;
  - enable stakeholders to voice concerns about the jewellery supply chain; and
  - are implementing the OECD five-step framework as a management process for risk-based due diligence for responsible supply chains of minerals from conflict-affected and high-risk areas.
3. We also commit to using our influence to prevent abuses by others. We shall communicate to all our supplier for compliance of ethical sourcing policy, carry out due diligence and risk assessment of their supplier to ensure compliance with OECD guideline.
4. Regarding serious abuses associated with the extraction, transport or trade of minerals: We will neither tolerate nor profit from, contribute to, assist or facilitate the commission of: a. torture, cruel, inhuman and degrading treatment; b. forced or



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- compulsory labour; c. the worst forms of child labour; d. human rights violations and abuses; or e. war crimes, violations of international humanitarian law, crimes against humanity or genocide.
5. We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are committing abuses as mentioned in this policy, or linked to, any party committing these abuses.
  6. Regarding direct or indirect support to non-state armed groups: We only buy or sell diamonds/Diamond studded jewellery/Gold that are fully compliant with the Kimberley Process Certification Scheme and, as such, will not tolerate direct or indirect support to non-state armed groups, including, but not limited to, procuring diamonds/gold/silver/platinum group metal from, making payments to, or otherwise helping or equipping non-state armed groups or their affiliates who illegally: a. control mine sites, transportation routes, points where diamonds are traded and upstream actors in the supply chain; or b. tax or extort money or diamonds at mine sites, along transportation routes or at points where diamonds are traded, or from intermediaries, export companies or international traders.
  7. We will immediately stop engaging with upstream suppliers if we find a reasonable risk that they are sourcing from, or are linked to, any party providing direct or indirect support to non-state armed groups.
  8. Regarding public or private security forces: We affirm that the role of public or private security forces is to provide security to workers, facilities, equipment and property in accordance with the rule of law, including law that guarantees human rights. We will not provide direct or indirect support to public or private security forces that commit abuses or that act illegally.
  9. Regarding bribery and fraudulent misrepresentation of the origin of minerals: We will not offer, promise, give or demand bribes, and will resist the solicitation of bribes, to conceal or disguise the origin of minerals, or to misrepresent taxes, fees and royalties paid to governments for the purposes of extraction, trade, handling, transport and export of minerals.
  10. Regarding money laundering: We will support and contribute to efforts to eliminate money laundering where we identify a reasonable risk resulting from, or connected to, the extraction, trade, handling, transport or export of minerals.

**Policy statement on Responsible Business Practices - RJC.**

Responsible Jewellery Council Policy of H.Dipak Group is applicable to all its operations.

The RJC is a standards-setting organisation 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.



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As an RJC certified 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.

#### **Due Diligence and Risk Assessment Policy**

Due diligence provides companies with the information they need to identify risks in order to prevent or mitigate adverse impacts associated with their sourcing practices.

As a part to customer and supplier due diligence, the company shall collect information from all customer and supplier including KYC information.

The company shall not continue business relationship with any supplier found in violation of Conflict-Affected and High-Risk Areas (the 'OECD Guidance')

The company shall communicate to suppliers that they will undertake supply chain due diligence and risk management in ways that are consistent with your supply chain policy.

The compliance office shall be appointed to ensure compliance with ethical supply chain policy and due diligence risk assessment and management system. The due diligence and risk assessment procedure shall be carried out on annual basis and in case of identification of any high-risk areas, risk mitigation plan shall be implemented.

#### **Provenance claim**

The policies relating to this section are part of the Business Principles adopted by the company, and are presented below for reference:

"The company shall ensure all its Provenance Claims made will be fully valid along with available evidence to support the Claim(s)"

The company shall ensure that all claims and statements (made to consumers or other businesses) on practices in the supply chain and the origin or source of Diamonds, Silver, Gold and / or Platinum through the use of both descriptions and symbols are valid.

The company shall ensure that there will be no attempt to mislead consumers through illustrations, descriptions, expressions, words, figures, depictions or symbols relating to the Provenance Claim(s).

The company shall ensure that all the relevant employees are aware about the provenance claim and its procedures.

#### **Grievance mechanism**

- The company has established this complaints procedure to hear concerns about circumstances in the supply chain/ethical business practice/provenance claim. [Mr. Sunil Holam] is responsible for implementing and reviewing this procedure.



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Concerns can be raised by interested parties via email or telephone to: [Sunil Holam] [+91 22 66446666] [sunil@hdiapk.com]

On receiving a complaint, we will aim to:

- get an accurate report of the complaint;
- explain our complaints procedure;
- find out how the complainant would like it handled;
- decide who is the appropriate person internally to handle the complaint, or help redirect the complaint to another entity, such as the relevant supplier, or a relevant industry body;
- where the issue can be handled internally, seek further information where possible and appropriate; • identify any actions we should take, or monitor the situation;
- advise the complainant of any decisions or outcomes; and
- keep records on complaints received, and the internal process followed, for at least five years.

Supplier Risk Assessment /Due Diligence Report – Publication (Detailed report is with Compliance team and may produce to concerned parties upon request)

**Risk Assessment/Due Diligence – Report Summary**

The compliance office of the company has carried out risk assessment in context of OECD guideline and for all its suppliers. The company has made aware all its supplier about ethical supply chain practice and OECD requirements. Upon verification of information provided by all our suppliers and information available in public domain, we have verified the existence of risk of violation of OECD guideline. We found all our suppliers are involved with the legitimate business practices not involved with any activity that violates OECD requirements. Details report for all suppliers has been available with the senior management of the company.

Signed/endorsed:

Date of effect: 30/01/2023



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

- a. Ensuring that all business activities are conducted in an honest, ethical, professional and accountable manner is fundamental to the core philosophy of our group. H. Dipak & Co. and Fancy Manufacturing LLP 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.
- b. *H.DIPAK & CO. AND FANCY MANUFACTURING LLP* 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.
- c. The entities of the *H.DIPAK & CO. AND FANCY MANUFACTURING LLP* 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.
- d. All accounting records, and reports produced from those records, must be maintained and presented according to the laws of each applicable jurisdiction.
- e. 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.
- f. It is the responsibility of *H.DIPAK & CO. AND FANCY MANUFACTURING LLP* 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 *H.DIPAK & CO. AND FANCY MANUFACTURING LLP* accordingly.
- g. 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.
- h. The company shall implement management control system for DTC Provenance claim and DPIS system. Employee training and control systems are implemented and monitored regularly.
- i. The group has put in place programmes that monitor the effectiveness of these commitments and hence supporting all workers in this endeavor.

Place: Mumbai  
Date: 08/02/2023



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