



**RAGHUVeer DIAMOND**

## **ETHICAL COMPLIANCE POLICY**

### **BUSINESS PRINCIPLES DOCUMENT**

#### **1.1 Legislation and Regulations**

- a. RAGHUVeer DIAMOND shall operate in compliance with relevant national and international legislations / regulations as applicable in the countries in which they operate.
- b. All employees are expected and directed to comply with all applicable laws and regulations as well as will have to follow the rules and regulation formed by RAGHUVeer DIAMOND regarding its business policies.
- c. Compliance team maintains the list of applicable legal and regulatory requirements and same is followed for compliance on day-to-day basis. Necessary records of requirements and its compliance is maintained.

#### **1.2 Money Laundering, Terrorism Financing, Other Financial Offences**

- a. RAGHUVeer DIAMOND recognizes the fact that entities in the gems and jewellery 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.
- b. Strict compliance is always required, with all applicable national and, where appropriate, international laws / regulations with respect to money laundering, terrorism financing, bribery, facilitation payments, corruption, smuggling, embezzlement, fraud, racketeering, transfer pricing and tax evasion.
- c. RAGHUVeer DIAMOND shall act in accordance with national laws with respect to auditing of its financial accounts and maintaining internal controls as guided by various regulations. Following acts and international guidelines is considered while establishing policies of the RAGHUVeer DIAMOND
  - Prevention of Money laundering Act 2002
  - FATF 40 Recommendations and 8 special recommendations
- d. It is the responsibility of concerned personnel to know and understand the relevant 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



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considered as a violation of the Business Principles, depending on the seriousness of the non-conformance.

- e. Compliance officer ensure all the critical steps such as KYC & KYS, Identification of suspicious transaction, reporting to management and record keeping as required by the local act and legislations are complied with.
- f. Compliance officer carries out periodic review of AML/CFT compliances and submits his report to management on Quarterly basis.

#### **1.3 Kimberley Process and System of Warranties**

- a. RAGHUVeer DIAMOND is 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. We will not engage in business with the supply chain who deals in '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 Principles.

#### **1.4 Anti-Bribery and Facilitation Payment Policy:**

- a. The RAGHUVeer DIAMOND shall ensure complete prohibition of Bribery and facilitation payment across organization and in all the entities.
- b. RAGHUVeer DIAMOND will not offer, accept or countenance any payment, gift in kind, hospitality, expense or promises as such that may compromise promises of fair competition.
- c. Entity shall prohibit bribery and facilitation payment and shall comply with various rules and regulations of the land.

#### **1.5 Disclosure of Treated Diamonds, Synthetics and Simulant**

The following essential principles will be applicable in all the transactions involving treated diamonds, synthetics and stimulant

- 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.



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- We deal in real and natural diamonds only and any treatment of real and natural diamonds is disclosed to customer prior to sales

### **1.6 Diamond Sourcing Policy:**

RAGHUVeer DIAMOND is committed to being a responsible corporate citizen and is opposed to human rights abuses. As part of that commitment, RAGHUVeer DIAMOND seeks to source products, components and materials from companies that share our values around human rights, ethics and environmental responsibility.

**RAGHUVeer DIAMOND** shall strive to ensure that all its supply of diamonds are not originating from CAHRA's and where practically possible origin of diamonds is known to us.

#### ***What Are "Conflict Diamonds"?***

Known as "**Conflict Diamonds**," are stones that are produced in areas controlled by rebel forces that are opposed to internationally recognized governments. The rebels sell these diamonds, and the money is used to purchase arms or to fund their military actions.

Blood Diamonds are often produced through the forced labour of men, women and children. They are also stolen during shipment or seized by attacking the mining operations of legitimate producers. These attacks can be on the scale of a large military operation.

The stones are then smuggled into the international diamond trade and sold as legitimate gems. These diamonds are often the main source of funding for the rebels; however, arms merchants, smugglers, and dishonest diamond traders enable their actions. Enormous amounts of money are at stake, and bribes, threats, torture, and murder are modes of operation. This is why the term "blood diamonds" is used.

#### **CAHRA's are.**

Raghuveer Diamond ensures that none of its supplies come from the aforesaid countries/regions. Raghuveer Diamond shall communicate its sourcing policy to all its stakeholders and will ensure effective implementation of its policy amongst all its entities.



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Raghuveer Diamond shall ensure that none of its supplies come from CAHRA Region sources. For More Details of CAHRA's refer to list of country under the regulation of EU 2017 <https://www.cahraslist.net/cahras>

### **1.7 Supply Chain Management / Best Endeavours**

The management of RAGHUVVEER DIAMOND is committed to take appropriate action to use best endeavours to ensure that the suppliers and contractors are committed for compliance to International Social Standards.

Annual communications are exchanged with all the supply chain to spread awareness.

### **1.8 Employment**

- a. Compliance is required at all times, with applicable national and, where appropriate, international laws / regulations with respect to employment and labour.
- b. The RAGHUVVEER DIAMOND shall not require Staff to work for more than the national limit of hours in a week on a regular basis.
- c. The RAGHUVVEER DIAMOND 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 Staff and provide some discretionary income.

### **1.9 Health and Safety**

RAGHUVVEER DIAMOND recognizes the need to develop a sustainable, value creating business and is committed to the following:

- 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.
- This review will use appropriate standards as required by prevailing laws, expert opinion and our knowledge of best practices.
- The review will lead to formulation of clearly described work practices and drills.
- All our staff will be trained in the manner required to adhere to these work practices and drills.



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- The health of our staff, exposed to certain hazardous processes, will be monitored periodically through appropriate medical checks, and reviewed using expert inputs for improvements.
- All workplaces will be constructed to meet safety standards with local regulations as the minimum standards that will be applicable

#### **1.10 Non-Discrimination, Disciplinary Practices**

- a. 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, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, HIV status, Migrant status, membership of worker representative bodies, political affiliations, or any criteria that are unlawful is strongly discouraged by the RAGHUVeer DIAMOND and any such reported incidents will be viewed as a serious violation of this Business Principles.
- c. We 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.
- d. We shall at no time condone the use of corporal punishment or other forms of mental or physical coercion.
- e. We encourage all personnel to voice concerns promptly, if they have a genuine reason to believe that a policy, RAGHUVeer DIAMOND operation or practice is or will likely be in violation of any law, regulation or internal RAGHUVeer DIAMOND rule or policy, including this Business Principles. RAGHUVeer DIAMOND assures all employees who come forward in good faith to report issues, that they will be treated fairly and respectfully.

#### **1.11 Child Labour**

- a. No form of child labour should be employed at any of the facilities of the RAGHUVeer DIAMOND Unless local laws stipulate a higher age, the minimum age for employment that will be applicable is fifteen (As per ILO Convention No. 138).
- b. For authorized adolescents (persons below 18 years of age but above 15 years), the RAGHUVeer



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DIAMOND management is responsible for providing working conditions, hours of work and wages in compliance with applicable local laws as a minimum.

- c. As per our RAGHUV EER DIAMOND policy no child labour or adolence child labour will be employed.
- d. RAGHUV EER DIAMOND will implement suitable policy and procedures to verify the age proof all new employees joining the organization.

#### **1.12 Forced Labour**

- a. The management of RAGHUV EER DIAMOND is fully committed to ensuring that forced or involuntary labour is not practiced in any form at any of its facilities. Any reported incidents relating to forced labour will be considered as a serious violation of this Business Principles.
- 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 they said person has not offered himself voluntarily’

#### **1.13 Human Rights**

- ❖ All employees in the RAGHUV EER DIAMOND facilities will be treated with equality, respect and dignity.
- ❖ RAGHUV EER DIAMOND 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 RAGHUV EER DIAMOND strongly discourages any form of sexually coercive, threatening, abusive or exploitative behavior.
- ❖ Any reported incidents relating to direct or indirect physical, sexual, racial, religious,



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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 RAGHUVeer DIAMOND

- ❖ HSE & Anti sexual harassment committees are formed and committee shall review the compliance at regular intervals by holding review meetings.

### **1.14 Environment Protection**

RAGHUVeer DIAMOND is committed to effective environmental management as one of its important corporate priorities, and will focus on the following initiatives:

- Compliance with all applicable environmental laws and regulations
- The impact of each of our operations on the environment will be systematically assessed for compliance with appropriately defined standards 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 and best practices of the industry.
- Improvement of employee environmental awareness and performance through detailed policies and procedures, training, and recognition of excellence.

### **1.15 Product Security**

RAGHUVeer DIAMOND is committed to provide safety of product throughout its supply chain by following precaution as mentioned below

- Each and every stage of product processing it is covered through blanket insurance
- Suitable safe guarding and storage is ensured at all stage with the help of safes
- We are taking at most care to ensure safety of visitors, Customers and interested parties, suitable arrangements such as CCTV, Multi-level entry doors and other electronic intelligence.
- All the concern persons are trained on relevant safety and security procedures to be followed at all time.

### **1.16 Supply Chain Grievance**



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- Raghuveer Diamond Grievance Procedures have been established and available for all employees to raise any issue/grievance for work culture, discipline, practices and supply chain concerns.
- If any Grievance from a customer and/or supply chain partner has been reported, relating to any actual, alleged or suspected breach of this Policy, this matter should be raised in accordance with Supply Chain Grievance Policy.
- The Relevant Worker responsible for the relationship with the Supplier must communicate to the Supplier about the receipt of the complaint and issue a summary report on the conclusion of the investigation.
- It is required that the Supplier's staff have been informed of our supply chain grievance policy and it is available to them as well and can be used by them as a way of raising any concerns.
- With respect to breaches, by any party in the Supply Chain Policy Commitments and/or in the Supplier Code of Conduct, the breach will be reported to senior management and based on an investigation report, necessary actions shall if needed be taken.

#### Public Grievances against social & Ethical compliance of the RAGHUVVEER DIAMOND

If you come across any instance of non-compliance or specific deviation from our ethical policy, please feel free to reach us.

Further in case if you are interested to obtain the copy of our sourcing annual compliance report based on OECD guidelines. Please send an email communication to below mentioned email address.

Sr No.	Mode	Details
(i)	By hand	Mr. Ashokkumar Chabhadia
(ii)	By Email	<a href="mailto:raghuveerdiamond09@gmail.com">raghuveerdiamond09@gmail.com</a>