

Venus Jewel - Best Business Practices

Corporate Values of Venus Jewel

Venus Jewel has laid in its foundations, a very clear understanding about the policies and practices it should follow. The business policies of Venus Jewel are the reflection of Ethics and Transparency at the core which has been the philosophy of the founders since the very inception.

Venus Jewel, with a commitment towards its consumers, customers, suppliers, employees, business associates, Government and other stakeholders, believes in ethical business and strives to ensure implementation of Best Business practices in all its operations.

Venus Jewel is a Sight-holder of DeBeers Group of Companies and certified member of the Responsible Jewellery Council since 2nd June 2011. The ethical terms and etiquettes on which Venus Jewel does business are reiterated in a nutshell hereunder:

- 1. Acts in accordance with both the letter and spirit of all laws and regulations applicable to the conduct of business, wherever the entity operates.*
- 2. Ensures to maintain and enhance credibility through transparency in all dealings under taken by Venus Jewel with customers, suppliers, employees, business partners, Government and other stakeholders.*
- 3. Strives for customer orientation and satisfaction and constantly work for and with the customer in the true spirit of partnership.*
- 4. To develop Team Work and build strong commitment among employees.*
- 5. To enhance professional competence and the quality of life of all employees.*
- 6. To nurture a Dynamic Learning Organization, to commit towards continuous improvement of individuals and organizational performance.*
- 7. To honor commitments and agreements as well as be accountable for our actions.*
- 8. To foster a work environment that is free from discrimination, harassment, intimidation and hostility of any kind.*
- 9. To respect and protect human rights in all our dealings.*
- 10. To strive for best compliance in health, safety and environment practices by minimizing impact on and risk to our employees, customers, public and natural environment, throughout all stages of our business activities.*

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Best Business Practices Followed By Venus Jewel

- 1. Compliance with all the applicable laws, regulations and rules in letter and spirit and benchmark high standards.*
- 2. All the Business practices are supported by various documented Policies and Procedures in conjunction with IT embedded systems to ensure controls and integrity of company operations.*
- 3. The identified stakeholders including employees and Business Partners are communicated regularly through communiqué, the Business Practice followed and the Social Responsibilities rendered.*
- 4. The Financial Accounts are in conformance with the National and International Accounting Standards and Generally Accepted Accounting Principles and are audited by qualified independent statutory auditor.*
- 5. Respect human rights in all our dealings according to the Universal Declaration of Human Rights and International Labour Organization, Declaration on Fundamental Principles and Rights at Work.*
- 6. Strict compliance ensuring legitimate business transactions with reliable and trustworthy Suppliers and Customers/Consumers having a credible market reputation, without any intention of defrauding, ensuring fair business dealings, due diligence in respect to protecting and ensuring human rights.*
- 7. Implement management process for risk-based due diligence for responsible supply chains from conflict-affected and high-risk areas.*
- 8. Refrain from providing direct or indirect support to illegal armed groups*
- 9. Support transparency of government payments and rights-compatible security forces in the extractives industry*
- 10. Enable stakeholders to voice concerns about the supply chain.*
- 11. Human values form the most integral part of the ethical practice, where every employee irrespective of his position is respected and well rewarded for his hard work and expertise. Protection of human rights, short listed by the Constitution of the Country is an integral part of the company's ethical standards and corporate responsibility.*

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12. *Refraining from sourcing materials from Artisanal and small-scale mining or conflict-affected areas, the procurement of rough diamonds is responsibly sourced.*
13. *As an endeavor towards community development, apart from economic, social and cultural development, treats every living being with utmost benevolence, showing immense empathy and mercy considering the principles of human rights. Abiding by the principal objective of serving the Seven Key areas as stipulated by the Jain philosophy in the Holy Scriptures, voluntarily contributions towards sustainable community development, considering human needs and priorities, across different segments of the society, numerous humanitarian activities regardless of any Caste, Creed, Gender or Religion are undertaken.*
14. *Refrains and prohibits any kind of involvement or tolerate bribery and facilitation payments, corruption, money laundering or finance of terrorism, or being a participant in any such abuse of entrusted power for private gain amounting to corruption, in any form.*
15. *Abstains from unofficial dealings or transactions and deters any mal-adjustments, which may at later stage result in any kind of financial offences under national or international law including money laundering or financing of terrorism.*
16. *Has implemented product security measures, considering the security of human life of staff, visitors and customers, vital over the product. A complete integrity and security of each stone within the manufacturing chain is ensured, maintaining traceability of every stone with respect to each stage of process, employee and location.*
17. *The Provenance Claim(s) made is/are ensured for validity and supported by documented evidence, based on objective and factual information, refraining from any untruthful, deceptive, misleading representations or material omission in selling, advertising or marketing of the product.*
18. *Lawful employment and established recognized employment relationships through national law and practice.*
19. *Ensures reasonable limitation of working hours and periodic holidays as per law.*
20. *Pays fair and legitimate minimum living wages as prescribed under law.*
21. *Equal opportunity to grow and strictly prohibits any disciplinary action that includes threatening of violence, physical punishments, psychological, sexual or racial abuse, withholding of wages, food or services, corporal punishment, sexually coercive, threatening, abusive or exploitative behavior*

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or any action that is considered to be violations of basic human dignity and human rights. Maintains decorum at workplace and develop a fellow feeling and spirit of togetherness among the employees, constantly encouraging endeavors towards correct and improved job-related behavior and performance. Mechanism towards justice for each grievance or dispute internally, whether grievance may relate to wage payment, work assignment, suspension, discharge, or any other matter, ensuring that the self-confidence of the workers and confidence in the systems is enhanced.

- 22. Prohibits employment of any person below the age of 18 year in any capacity.*
- 23. Refrains from employing or supporting use of any type of forced labour including slavery, any sort of bonding resulting out of any debt or obligation remaining unfulfilled by the employees, allowing free entry and exit to the employees.*
- 24. Respects the right to collective bargaining and allows freedom of association. Every employee has the right to represent himself, to form and to join any union/association and to resign for protection of self-interests.*
- 25. Offers and ensures to the employees all the legitimate rights as to life, liberty, social and personal security, without any kind of discrimination race, caste, creed, ethnicity, national origin, religion, age, disability, gender, marital status, pregnancy status, physical appearance, HIV status, sexual orientation, union membership, political or influential affiliation, or any other applicable prohibited basis, with a belief that all individuals who are "Fit for work" are accorded equal opportunities and are not discriminated against on the basis of factors unrelated to their ability to perform their job.*
- 26. Providing Safe and Hygienic working conditions, strives to achieve best compliance in health, safety and environment practices, minimizing impact on and risk to employees, customers, public and natural environment, at all stages of business activities.*
- 27. Has adopted protocol as part of its ethical standards in respect of issue concerning the environment protection, pollution control managing hazardous substances and usage of resources, identifying and addressing risk to the environment, prevention of air, water and land pollution, providing utmost contribution in the State's efforts for environment protection, observance of law and order, and strive for continuous improvement.*

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- 28. Prohibits use of lawfully banned hazardous substances and solvents and complies with all the national legislations and established practices related to environment, pollution control, use of resources and management of hazardous and waste, implementing environmental friendly procedures for storage, transport and disposal of hazardous substances.*
- 29. Encourages management and handling of waste, waste reduction over waste disposal, promoting effective re-use or use of recycled wastes, implement adequate final measure to ensure safe disposal of residual waste and to assess and seek opportunities for reducing, reusing, recycling and resource recovery depending on the products in use and manufacturing process implemented. Implements adequate mechanisms to contribute towards environmentally sound and efficient measures that effectively reduce air and water emissions.*
- 30. to assess the significance and impact on environment, determine requirement of controls, health surveillance and monitoring system and*
- 31. Ensures conservation of resources like water, gas, energy and other such resources, eradicating reluctance and curtailing inefficiencies by encouraging safe and proficient use of resources and endeavors to minimize use of paper and plastics.*
- 32. Makes appropriate disclosures in accordance with the guidelines of WFDB (World Federation of Diamond Bourses), IDMA(International Diamond Manufacturers Association) in consultation with WDC(World Diamond Council), national trade bodies as stated from time to time, making trade more ethical, transparent and confidence generating. Prohibits use of any deceptive statements or misrepresentations about the type, kind, size, grade, purity, weight, cut, color, treatment, substance, serviceability, origin, price, production, distribution or any other material aspect of the product.*
- 33. Carries out import of rough diamonds and export of polished diamonds, in strict compliance of Kimberley Process Certification Scheme and System of Warranties, refraining from any transactions with individuals, entities or organizations that have been blocked or banned by National or International sanctions.*
- 34. Assures customer with the complete product knowledge, elucidating the grading parameters and ethical standards being followed.*
- 35. As a certified member of the Responsible Jewellery Council (RJC), Venus Jewel, through independent*

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third party verification, confirms its adherence to its various policies.

36. Venus Jewel, commits to use its influence to prevent abuses by others through its best endeavours by
- *Communicating its adherence of its policies and procedures on bribery, corruption, money laundering or finance of terrorism, its endeavours to manage and restrict human rights violations and abuses, forbid any kind of inhuman and degrading behavior, treatment or any kind of cruelty or torture, restrict child labour or forces labour, forbid situation of potential distinction of race, caste, creed, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, or influential affiliation, protect the right to privacy, social security, right to represent, to form and to join any union / association and to resign for protection of self-interests of its employees, providing just and decent working conditions, legitimate and fair remuneration, to rest and reasonable limitation of working hours and periodic holidays and mention about appropriate actions to restrain and build a zero tolerance mechanism towards abuse of any of the policies procedures,*
 - *The strict policy of Venus Jewel of not contributing to conflict by respecting Human Rights and/or responsible business practices by not indulging in any business transaction/s with conflict-affected and high risk areas that may include inter-state insurgency and security disturbed areas, illegally and forcefully occupied states, unstable areas classified by UNSC, NSAG and other such bodies, armed conflict areas and other such high risk areas.*
37. Venus Jewel is committed to its policy on Business partners and will neither tolerate nor profit from, contribute to, assist or facilitate the commission of torture, cruel, inhuman and degrading treatment, forced or compulsory labour the worst forms of child labour, human rights violations and abuses or war crimes, violations of international humanitarian law, crimes against humanity or genocide and will immediately stop engaging with upstream suppliers, if it finds a reasonable risk that the respective supplier(s) is/are committing such abuses.
38. In adherence to its policy, Venus Jewel buys or sells diamonds 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 from, making payments to, or otherwise helping or equipping non-state armed groups or their affiliates who illegally controls mine sites, transportation routes, points where diamonds are traded and upstream actors

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in the supply chain or 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 and will immediately stop engaging with upstream suppliers if it finds a reasonable risk that they are sourcing from, or are linked to, any party providing direct or indirect support to non-state armed groups.

- 39. Venus Jewel upholds 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. In accordance with its policies, Venus Jewel will not provide direct or indirect support to public or private security forces that commit abuses described in (37) and (38) above.*
- 40. In accordance with its company policy, Venus Jewel 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.*
- 41. In accordance with its company policy, Venus Jewel, will support and contribute to efforts to eliminate money laundering where it identifies a reasonable risk resulting from, or connected to, the extraction, trade, handling, transport or export of minerals.*

Endeavours to Comply with Best Business Practices

1. Social contribution to society and community

Respecting the holy and cultural sentiments of family, founders of Venus Jewel Mr. Ramnikbhai and Mr. Sevantibhai have, in their fond memory, established the following three Trusts:

- a. Sheth Premchand Ishwarlal Public Charitable Trust
- b. Smt. Champaben Premchand Shah Charitable Trust
- c. Sheth Premchand Ishwarlal Religious Trust

The principal objective of the Religious trust is to serve the Seven Key areas as stipulated by the Jain philosophy in their Holy Scriptures, as well as showing empathy and mercy towards all living beings. Word ‘Benevolence’ is embodied in every nerves of entire family of founders. Through the medium of Charitable Trusts and the Company, stream of donations has been kept flowing for various noble causes aimed at becoming helpful to the society in every possible manner. We believe in nation-building and the development of a strong economy. It is our collective responsibility to help improve the lives of the people – a duty we embrace, as our corporate social investment brings a double return.

The objective of the charitable activity is to preserve and uplift the cultural and social values of India and life of its people through numerous humanitarian activities regardless of any Caste, Creed, Gender or Religion. There is a basic acceptance of the inherent dignity and of the equal and inalienable rights of all members of human family which is the foundation of freedom, justice and peace in the world. To name it, following are the few activities done through the said Trusts:

- 1. Contribution for promoting Education including financial assistance to schools, including encouragement to female Education.
- 2. Donations for raising Hospital facilities and other health services.
- 3. Assistance for developing technological facilities in engineering colleges
- 4. Encouragement to Indian culture, art and literature.
- 5. Participating in the rural development activities and in the upliftment of tribal regions.
- 6. Supporting Water Conservation and Management Projects in drought vulnerable regions.
- 7. Assisting in rescue and relief operations in the times of natural calamities like floods, earthquakes etc. as also in the times of epidemics.

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8. Assisting the needy and the poor, on a one-to-one basis for education, health or medical assistance and for such other forms of personal or family needs.
9. Constant campaigning/ counseling for raising awareness of people including employees against all kinds of addictions.

Investing time, skills and money in improving the quality of life for our people is the right thing to do. Giving our people the means to improve their lives has a direct impact on the entire economy. Through opportunity, skilling and support, the people we invest in may become active participants in a blossoming economy. It helps them create wealth, build self-esteem, proudly find their place in society-gifts they may pass on to their children, breaking the chain of poverty. Being socially responsible requires more than the mere handing over of a charity cheque. It means getting involved - really, deeply involved at the lowest level.

2. Social Security and other benefits:

a. Provident Fund including Pension Scheme:

A statutory benefit under Employees' Provident Fund and Miscellaneous Provision Act, 1952 wherein, Fund is generated by the Government of India to provide social security to the working people on their Retirement..

b. Employees' State Insurance Scheme:

A statutory benefit under Employees' State Insurance Act, 1948, a scheme that provides wide range of health benefits to all employees drawing wages per month within the threshold limit prescribed under the Act. The benefit encompasses:

- i. Free Medical Treatment to employees and all Family Members.
- ii. Reimbursement of wages against the sickness leaves of employee up to 2 years consecutively.
- iii. Compensation against Disablement - both Partial and total.
- iv. Pension to the spouse and minor children of employees in the case of his death during and in the course of employment.
- v. Funeral expenses in case of death of employee.
- vi. Maternity Benefits: Free Medical treatment, Reimbursement of wages/salary for no. of weeks as prescribed time to time by concerned authority.

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c. Bonus:

A statutory benefit granted under Payment of Bonus Act, 1965 wherein, Profit share is extended by employer to employees for upliftment of his standard of living.

d. Gratuity:

A statutory benefit, under Payment of Gratuity Act, 1972, extended to employees in the form of reward for long-term service. Venus Jewel has constituted a scheme under which, it contributes a defined amount based on actuarial working. Further, the scheme in turn has entered into an arrangement with the Life Insurance Corporation (A state run enterprise) for the management of the funds of the scheme. Contribution also includes special death benefit.

e. Superannuation Scheme (Pension Scheme):

Though not mandatory by any law, Venus Jewel has, at its own will and desire, developed Superannuation Fund, which is administered by the Life Insurance Corporation of India Limited, a Govt. of India Enterprise. Company contributes towards the scheme on an annual basis without taking any contribution from employees. The underlying objective of the scheme is to provide an additional security and retirement benefits to the employee.

3. Practices on Environmental Responsibilities:

- a. Venus Jewel has implemented substantial measures to reduce its footprint using clean energy by generating solar power at Surat facility, implementing digital marketing and procurement of recycled materials. This has substantially contributed to compensate for its impact on environment.
- b. Venus Jewel is committed to reduce its reliance on non-renewable energy and therefore it shall maximize its output of own generated Solar Energy for its captive consumption to reduce emission in the sector of electricity.
- c. Venus Jewel encourages its employees for using public transport and car/bike share schemes.
- d. Venus Jewel is mindful of its environmental responsibilities. In accordance to its policy on environment.

Annual Report on Supplier Chain Due Diligence

Annual Report on Supplier Chain Due Diligence is prepared by broadly adopting the OECD due Diligence Guidance.

Reporting period:	04/2020 to 03/2021	Date:	10/07/2021
Report prepared by:	Dhaval M Shah		
Reported to:	Hitesh Shah, Partner, Venus Jewel		

Following outlines Annual Report on Supplier Chain Due Diligence which is broadly adopted from the RJC COP-7 – Tool version 5.1. Although period relates to 04/2020 to 03/2021, efforts have been made to incorporate in the report, policy prescriptions formalized of the supply chain policy effective from 1st July, 2021.

1. Company Management systems:		
1. A	• We have adopted policy for the supply chain of minerals originating from conflict-affected and high-risk areas • With our policy on supply chain, we are fully committed to the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. • We carry out due diligence process, for existing business partners and before entering into business in case of new business relationship or before executing any transaction or investment. • We have published our policy on the company's website for easy access to	

	stake holders. • Best Business Practice endeavours and OECD Annual Report has been communicated and sent to all our active customers and suppliers • Policy and procedure based on risk of CAHRA(s) is implemented.
1.B	• The Procurement Compliance officer / BPP- RJC compliance officers have been ascribed with the responsibility for compliance of ethical sourcing and carry out supply chain due diligence. • Employees involved in sourcing and procurement of rough diamonds has been trained in accordance with the company's supply chain policy.
1.C	<u>Approach to identifying suppliers:</u> • We have devised and implement a mechanism to identify significant Business partners who plays a vital role in fortitude and sustainability our business where criteria based, extracted list of identified suppliers is maintained along with the details of their social and ethical compliance status. • We procure all our diamonds strictly in accordance our policy on Kimberley Process Certification Scheme and System of Warranties and refrain from buying or selling knowingly or assist others to buy or sell conflict diamonds. • All the suppliers undergo the Know Your Counterpart process as first step of the Due Diligence. • For the KYC process, we seek information and supporting documents of

information from supplier(s).

- A mechanism is devised which verifies watch-list/sanctioned list and ensure that the Business Counterparty and/or its beneficial owners are not listed on relevant government lists for individuals or organizations implicated in money laundering, fraud or involvement with prohibited organization and/or those financing conflicts.
- Responsible officers involved in due diligence process, verifies the location of the Business Counterparty and the source location with the Countries and Areas listed under **CAHRA** to determine the risk of source being located under Conflict Affected and High-Risk Area and raise a RED Flag to enable the entity to refrain from any Business relationship with the existing or potential future Business Partner.
- The document files containing all information or material gathered as part of Due Diligence process of the Supply chain is maintained for minimum of 5 years.
- We ensure that at least basic information like form, type, weight and physical description of rough diamonds is verified the concerned responsible for receiving is accountable for the same.

Conclusion:

- The above process helps in reinforcing our due diligence process, traceability, mitigating risk
- This has helped us in being one of the first few companies globally to be

	participating in programs like TRACR. • It aids in giving particulars of Origin						
1.D	<u>Engagement with suppliers:</u> • Majority of our rough diamonds only from the globally acclaimed reputed companies. • With all major global mining companies, we have long-terms contracts that enable ethical sourcing • We being into midstream, constantly communicate with our suppliers for an ever improved and ethical supply chain that would benefit the downstream. • Such communications aid us in building mutual capacity for undertaking due diligence.						
1.E	• We have implemented a complaint redressal mechanism to address concerns about circumstances in the supply chain • Anyone interested in the procurement of Diamonds in the supply chain of Venus Jewel, including employees, is provided with an opportunity to raise concerns by reaching through any of the following mode: <table border="1"> <tr> <td>Telephone No.</td><td>+91 261 2531444</td></tr> <tr> <td>Email</td><td>nilang@venusjewel.com/dhaval@venusjewel.com</td></tr> <tr> <td>URL Link</td><td>Veusjewel.com/contact</td></tr> </table> The complaint/input/feedback are forwarded to Compliance officer who is responsible to resolve the issue.	Telephone No.	+91 261 2531444	Email	nilang@venusjewel.com/dhaval@venusjewel.com	URL Link	Veusjewel.com/contact
Telephone No.	+91 261 2531444						
Email	nilang@venusjewel.com/dhaval@venusjewel.com						
URL Link	Veusjewel.com/contact						

2. Identify and assess risk in the supply chain (upstream).	
• We majorly procure our rough diamonds directly from reputed primary sources, eliminating potential risk of any kind including CAHRA. • Approach to assessing risk of the upstream suppliers has thus far been through desktop study analysis by viewing the best practices followed by the suppliers and studying their documented reports. • Besides desktop analysis, the KYC process and information obtained from external source with the aid of IT enabled mechanism to verify watch-list/sanctioned list and verification of the location of the Business Counterparty and the source location with the Countries and Areas listed under CAHRA. • Based on the above approach, risk assessments have been carried out in terms of COP 6 (Human Rights), COP 7 (Due Diligence for responsible sourcing from Conflict Affected areas), COP-8 (Sourcing directly from Artisanal and Small scale mining), COP-13 (Security), COP- 19 (Child Labour), COP- 20 (Forced Labour), COP-23(Health & Safety) qua each of the identified significant business partners (“COP” = “Code of Practices” issued by Responsible Jewellery Council). • Where necessary, approach to due diligence will be made more akin to specific risk.	
3. Design and implement a strategy to respond to identified risks (if applicable)	
3. A	<u>Report findings of the supply chain risk assessment</u> The Partner of Venus Jewel is provided with risk assessments or any

		associated documents
	3. B	<u>Risk management plan</u> Broad steps to design and implement strategy to respond to the risks and impacts identified • Analyse the severity of the risk • Analyse the impact on the severity assessed • To identify measures to eliminate, or mitigate, or minimize, or otherwise deal with the risk. • If severity of risk is high and cannot be condoned, immediately discontinue relationship with the supplier and assess its impact on the current inventories of that supplier. • If the risk can be mitigated or minimized or otherwise can be dealt with, through communication and coordination with suppliers or in any other manner, it should be done. • If the risk can be so eliminated, or mitigated, or minimized within 6 months from the identification of the risk, continue relationship with the supplier with regular due diligence. • If the risk cannot be eliminated, or mitigated, or minimized by 6 months, discontinue relationship with the supplier.
	3. C	<u>Implementation of risk management plan and monitoring performance of risk mitigation efforts.</u> In line what is stated in clause 3.B above, in the strategy, a supplier is

	continued after eliminating, or mitigating, or minimizing by 6 months, then we monitor and track through a regular due diligence to ensure that - ○ The risk so eliminated, or mitigated, or minimized does not surface again ○ Depending on the scope and the breadth, pointed due diligence may be undertaken of the area of risk. ○ Results of due diligence disclose measurable and continued improvement in the risk area.
3. D	<u>Internal training</u> All employees involved in sourcing and procurement of rough diamonds and sales are trained in accordance with the company's supply chain policy.
3. E	<u>Communications</u> ● We have communicated our policies and Annual Report on Supply chain which reflects our expectations from our counterparties. ● We regularly engage with suppliers, customers and industry associations on implementation and dissemination of responsible business practices. ● We encourage stakeholders in creating capabilities to undertake due diligence on supply chain for an ethical pipeline. ● We ensure transparency in the implementation of Regulations by disclosing information to the stakeholders.