

## **ETHICAL BUSINESS POLICY**

### **1) Background**

- a. At M. SURESH COMPANY PVT. LTD., our philosophy is to measure success by not only the results we achieve, but also how we achieve them.
- b. This Business Principles document, adopted by M. SURESH COMPANY PVT. LTD. sets forth the basic internal standards to be observed by all directors, officers and employees of the Company with respect to conducting business in a legal, ethical, professional and accountable manner.
- c. The company is required to take appropriate steps to ensure that the same is understood and put into practice by all of its directors, officers and employees.
- d. Also, appropriate steps are taken to assure adherence to this Business Principles document, including establishing appropriate disciplinary procedures where violations of this document will result in sanctions up to and including discharge.

### **2) Legislation and Regulations**

- a. M. SURESH COMPANY PVT. LTD. shall operate in compliance with relevant national and international legislations / regulations as applicable in the countries in which they operate.
- b. Compliance team maintains the list of applicable legal and regulatory requirements and same is followed for compliance on day-to-day basis. Necessary records list of requirements and its compliance is maintained.

### **3) Money Laundering, Terrorism Financing, Other Financial Offences**

- a. M. SURESH COMPANY PVT. LTD. 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 ensured at all times, 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. 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.

### **4) Kimberley Process and System of Warranties**

- a. M. SURESH COMPANY PVT. LTD. 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.

**5) Anti Bribery and Facilitation Payment Policy:**

- a. The M. SURESH COMPANY PVT. LTD. shall ensure complete prohibition Bribery and facilitation payment across organization and in all the entities.
- b. Company 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. Company shall prohibit bribery and facilitation payment and shall comply with various rules and regulations of the land.

**6) Disclosure of Treated Diamonds, Synthetics and Simulant**

- a. 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.
- b. 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 simulant.
- c. 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.

M. SURESH COMPANY PVT. LTD. 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.

***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' 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.

***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.

**Note:** Necessary declaration is provided on invoice in line with requirements of WFDB, CIBJO & KPCS.

**7) Supply Chain Management / Best Endeavors**

The management of M. SURESH COMPANY PVT. LTD. is committed to taking appropriate action to use best endeavors to ensure the commitment of manufacturing contractors and entities to comply with the Best Practice Principles

## **8) Gold Sourcing Policy:**

Our company is concerned about the environment and social impacts of irresponsible mining.

Further we are committed to ensure that sourcing of gold and precious metals products and articles are under the highest social, Human right and environmental standard of trade.

Necessary declaration and assurance of gold conflict free supplies are obtained. M Suresh group is committed to comply with conflict metals and minerals.

## **9) Conflict Minerals Policy Statement (Diamond & Gem Stone)**

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

M Suresh Group 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"?**

Blood Diamonds, also known as "Conflict Diamonds," are stones that are produced in areas controlled by rebel forces the rebels sell these diamonds, and the money is used to criminal activities and or funding terrorism.

### **Identified CAHRA'S Affected Diamond Producing Nations:**

M Suresh group is committed not to purchase goods from such a conflict affected areas, and hereby informed all its suppliers not to ship or supply any goods origin or transported from below mentioned regions.

M. Suresh Group 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>

## **10) Employment**

- a. M Suresh will ensure that all entities of group comply to labour law rules as per applicable land law.
- b. The Company shall not require workers to work for more than the national limit of hours in a week on a regular basis.
- c. The Company 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 and provide

some discretionary income.

### **11) Health and Safety**

- a. The Company is fully committed to the pursuance of applicable standards of health and safety, and the provision of a safe and healthy working environment for all its employees.

### **12) Non-Discrimination, Disciplinary Practices**

- a. 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 Company and any such reported incidents will be viewed as a serious violation of this Business Principles.
- b. M. SURESH COMPANY PVT. LTD. shall at no time condone the use of corporal punishment or other forms of mental or physical coercion

### **13) Child Labour**

- a. No form of child labour should be employed at any of the facilities of M. SURESH COMPANY PVT. LTD.
- b. Unless local laws stipulate a higher age, the minimum age for employment that will be applicable is fifteen (As per ILO Convention No. 138).

### **14) Forced Labour**

- a. The management of M. SURESH COMPANY PVT. LTD. 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 the said person has not offered himself voluntarily'

### **15) Human Rights**

- a. The Company strongly discourages any form of sexually coercive, threatening, abusive or exploitative behavior.
- b. 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 company.

#### **16) Environment Protection**

M. SURESH COMPANY PVT. LTD. is committed to effective environmental management as one of its important corporate priorities. Compliance with all applicable environmental laws and regulations.

#### **17) Annual Reporting of Ethical sourcing compliance for Diamond and Gold**

M. SURESH COMPANY PVT. LTD. is committed to full fill its conflict free sourcing obligation and as a part of the same on completion of each calendar year an Annual compliance report on ethical sourcing shall be generated and same will be shared to trade members and customers on request.

As per company rule customer and trade member has to make a written application, which shall be reviewed

#### **18) Supply Chain Grievance**

- Jewel Art 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.

## 19) Public Grievances

M Suresh Group keeping in view of the increasing importance of redressed of public grievances, has introduced the common grievance cell to look in to matter of reporting noncompliance against any of the company policy or raising red flag against any of its business entity or individual involved in activities which will bring industry in disrepute shall communicate to below mentioned members.

Public Grievance Communication Cell	
Name of compliance officer	Mr. Ashish Shah
Contact Number	+ 91 022 2675 6010
Email	ashishshah@msureshco.com
Address	BW/BC-6010, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051