



## **BUSINESS PRINCIPLES DOCUMENT**

### **Money Laundering, Terrorism Financing, Other Financial Offences / AML-CFT**

- SV GROUP (COMPLIANCE GROUP) 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.
- 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.
- SV GROUP (COMPLIANCE GROUP) shall act in accordance with national laws with respect to auditing of its financial accounts and maintaining internal controls as guided by various regulations.
- 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.

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

- SV GROUP (COMPLIANCE GROUP). 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.
- The definition of 'Conflict Gem Stone Diamonds' as agreed by the Kimberley Process has been adopted and declaration are received from suppliers and issued to all the customers
- We ensure KP compliance in all our trade of rough diamonds, which is audited by our internal audit team and by Financial Auditor and compliance certificate is issued by them
- Further for polished diamonds warranties In and Warranties out are checked by compliance team and audited by Financial Auditor and compliance certificate is issued by them

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

- The Group shall ensure complete prohibition Bribery and facilitation payment across organization and in all the entities.
- 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.



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

- The following essential principles will be applicable in all the transactions involving treated diamonds, synthetics and simulant
- 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 mis-representations 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. Necessary declaration as per CIBJO, WFDB & KPCS are provided on all invoices.

### **Supply Chain Management / Best Endeavors**

- The management of SV GROUP is committed to taking appropriate action to use best endeavors to ensure the commitment of business partners and associated manufacturing units complies with the same.
- Annual circulation of Best Practices is done among all trade suppliers and customer

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

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

SVK Group shall strive to ensure that all its supply of diamonds are not originating from CHARA'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:**

SVK shall refer to OFAC, EU sanction list and applicable law of the land to ensure the ethical and conflict free supply not to fund CAHARA regions.



SVK Group shall ensure that none of its supplies are coming from above sources (CAHRA's). SVK Group shall communicate its sourcing policy to all the stakeholders and will ensure effective implementation among them.

#### **Conflict Minerals Policy Statement (Gold)**

- SVK Group is committed to being a responsible corporate citizen and is opposed to human rights abuses. As part of that commitment, SVK Group seeks to source products, components and materials from companies that share our values around human rights, ethics and environmental responsibility.
- We discourage supply from "conflict minerals" originating from the Democratic Republic of the Congo (the "DRC") or adjoining countries.
- Revenue from the mining and transport of these conflict minerals is believed to be financing or benefiting groups that are responsible for human rights violations.

#### **What is CAHRA's (Conflict Affected High Risk Area's) for Minerals**

- The four most commonly mined conflict minerals (known as 3TGs, from their initials) are cassiterite (for tin), wolframite for tungsten), coltan (for tantalum) and gold ore, which are extracted from the eastern Congo, and passed through a variety of intermediaries before being purchased.
- These minerals are essential in the manufacture of a variety of devices, including consumer electronics such as mobile phones, laptops, and MP3 players.
- SVK Group strongly recommends all the supplier's of (Gold & 3T's) not to supply any mineral or metals sourced from above regions.
- SVK Group supports industry-wide efforts to identify, reduce and hopefully eliminate the use of conflict minerals originating from the DRC, CAHRA's and adjoining countries
- Suppliers to SVK Group are expected to establish their own conflict minerals policies, due diligence frameworks and management systems that are designed to prevent conflict minerals originating from the DRC, CAHRA or adjoining country/ies, to the extent that they benefit groups committing human rights violations, from being included in the products sold to SVK Group. In the event if group determines that a supplier has failed to develop and implement reasonable steps to comply with this Policy, SVK Group reserves the right to take appropriate actions, which may include discontinuing the business relationship with the supplier.



## **Employment**

- Compliance is ensured at all times, with applicable national and, where appropriate, international laws / regulations with respect to employment and labour.
- 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.
- Information regarding applicable employment policies and working practices has been communicated in a transparent manner to all employees

## **Health and Safety**

SV GROUP 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.
- 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

## **Non Discrimination, Disciplinary Practices**

- 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.
- SV GROUP 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.



- SV GROUP encourages all personnel 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 Business Principles.
- SV GROUP shall ensures all employees who come forward in good faith to report issues, that they will be treated fairly and respectfully.

### **Child Labour**

- No form of child labour should be employed at any of the facilities of SV GROUP.
- As per our company policy no child labour or adolescent child labour will be employed.
- Company will implement suitable policy and procedures to verify the age proof all of new recruits.

### **Forced Labour**

- The management of SV GROUP (COMPLIANCE GROUP). 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.
- 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'

### **Human Rights**

- All employees in the Company's facilities will be treated with equality, respect and dignity.
- SV GROUP will not interfere in the right of employees to Observe tenets practices based on caste, race, national origin, gender, religion or disability, union membership or political affiliation
- The Company strongly discourages any form of sexually coercive, threatening, abusive or exploitative behavior.
- 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.



### **Environment Protection**

SV GROUP 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.
- Measurement of environmental performance through auditing with employee accountability and reporting to senior management.

### **Product Security**

SV GROUP 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
- All the manufacturing, sales and retailing units are guarded by security agency and monitored by close circuit cameras.



### **Synthetic Diamonds**

SV GROUP is committed to fight against undisclosed synthetic diamonds. Following methodology has to be adopted for ensuring compliance to un disclosed synthetic Diamonds.

- Access to effective detection system
- Buying from trusted suppliers
- Factory controls in place and safety measure are to be implemented to control switchover of diamonds.
- Reporting of un-disclosure synthetics to supplier and interested parties whenever detected.
- Record the incidents of contamination reported and implement suitable corrective and preventive measures for effective controls.
- Classify contamination of points into different category (High, Medium & Low)
- Identify the policy, procedure and test mechanism to implement test mechanism in the organization.
- Necessary declaration of compliance is obtained from the supply chain and chain of assurance is passed on the customers by printing synthetic declarations on all our invoices. (WFDB)

### **Grievances and Whistleblowing Policy**

#### **Grievances and Complaints Committee**

The Committee formed the Department to deal with Grievances, concerns and complaints submitted by the employees, clients, customers, and other affected end user and stakeholders.

A written objection to the business operation resolution issued concerning the employees, clients, customers, and other affected end-user and stakeholders. Which is submitted by him/her to remove the injustice or wrongdoing he/she claims to have been witnessed or inflicted.

#### **The Objectives of the Grievances:**

1. Ensures that materials acquired and services provided are obtained with adherence to human rights, labor, environmental and highest business ethics.
2. Ensures to achieve justice, employment satisfaction and the stability of the legal status of the employees.
3. Ensures that business activities meet the international market ethics and standard.
4. Ensures that business operates in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and its Supplement on Gold, DMCC Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain and Responsible Jewellery Council.
5. Maintain the business status in providing the highest standard in operating in the gold and silver industry.



### **Grounds for the Grievance and Procedure for submission:**

1. Human rights violations; force and child labor, torture, serious abuses, etc.
2. Contravention of the law, regulations or by-laws
3. Accounts and financial Manipulation
4. Fraud, bribery, corruption and solicitation
5. Falsification of documents
6. Tolerates law and regulation violators and supporter of non-state armed group and all forms of criminal activities.
7. Employee misconduct and labor practices.
8. Health and safety; working conditions.

We encourage all to submit reports along with solid proof of documents and provide as much information as possible for the investigation. Reports may submit to the following email address: saurabh.kothari@svinodkumar.com

#### **Confidentiality:**

Committee will guarantee with the outmost capability of S Vinodkumar Diamonds Pvt Ltd. to keep the identity of the concern person confidential with respect to all events. Documents and files, they view and all information that comes from their knowledge will solely be used for the purpose of investigating illegal activities or non-compliance allegations to S Vinodkumar Diamonds Pvt Ltd. policies.

### **Escalation Procedure and Timeline for Grievances and Whistleblowing**

#### **1. Submission of Grievance**

- Responsible Party: Complainant (employee, client, customer, stakeholder, or end-user)
- Method: Submission via email to saurabh.kothari@svinodkumar.com
- Content Required:
  - Full details of the grievance or complaint
  - Supporting documentation and evidence (if available)
  - Name and contact information (optional for anonymous reporting)
- Timeline: At any time
- Confidentiality: Full confidentiality guaranteed by S Vinodkumar Diamonds Pvt Ltd.

#### **2. Acknowledgement of Receipt**

- Responsible Party: Compliance Officer
- Action: Issue written acknowledgment of grievance receipt
- Timeline: Within 3 working days of submission





### **3. Preliminary Review and Risk Assessment**

- Responsible Party: Grievances and Complaints Committee
- Actions:
  - Assess completeness of submission
  - Evaluate urgency and severity
  - Determine if the issue falls under Committee jurisdiction
- Timeline: Within 7 working days from acknowledgment

### **4. Initiation of Investigation**

- Responsible Party: Assigned Investigators (from Compliance or Legal Dept.)
- Action:
  - Conduct internal investigation
  - Request clarifications or additional documents (if needed)
  - Interview relevant parties (when applicable)
- Timeline: Investigation must be initiated within 10 working days from the preliminary review
- Duration: Completed within 20 working days, unless extended due to complexity

### **5. Escalation (if necessary)**

If the issue cannot be resolved internally or requires higher authority or external reporting:

- Escalation to:
  - Senior Management
  - Board Compliance Sub-Committee
  - External Auditor (if legally required or high-risk breach)
- Timeline for escalation decision: Within 5 working days of investigation conclusion

### **6. Issuing Final Decision and Corrective Actions**

- Responsible Party: Grievances and Complaints Committee
- Action:
  - Issue a reasoned written decision
  - Recommend corrective or disciplinary actions
  - Notify the complainant (unless anonymous)
  - Update internal risk management systems
- Timeline: Within 10 working days from conclusion of investigation



## 7. Follow-Up and Monitoring

- Responsible Party: Compliance Officer
- Action:
  - Ensure implementation of corrective measures
  - Monitor resolution progress
  - Re-assess for recurrence risk
- Timeline: Periodic check-ins at 30, 60, and 90 days after decision

## 8. Recordkeeping and Reporting

- Responsible Party: Compliance Department
- Action:
  - Securely store grievance records
  - Report summary of grievances and actions to senior management quarterly
  - Include anonymized data in annual compliance reports

### The Issuing of Decisions:

The Committee shall issue its reasoned resolutions base on the Grievance and Whistleblowing mechanism and appropriate corrective actions shall made if necessary.

### Public Grievance Cell Contact Details

Mr. Deepak Maniyar (Diamond Division) <b>Mobile:</b> +91 9892244011 <b>Email:</b> deepak.maniyar@svinodkumar.com	Mr. Saurabh Kothari (Jewellery Division) <b>Mobile:</b> +91 9892700309 <b>Email:</b> saurabh.kothari@svinodkumar.com
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