



## **AMC'S SUPPLIER CODE OF CONDUCT (Version 09.05.23)**

The AMC Group (further referenced to as AMC) has the objective to operate as a profitable and responsible diamond manufacturer and wholesaler, delivering increasing value to our shareholders, while seeking to uphold our Social, Ethical and Environmental Principles and considering the interests of our other stakeholders: customers, employees, those with whom we do business, and society as a whole.

The AMC group has formulated and adopted several procedures and policies to ensure and uphold these Social, Ethical and Environmental Principles. The company has also formulated a more detailed supply chain policy which is available on request.

In seeking to achieve our objective we recognize that there are indirect impacts generated by our activities, in particular through our supply chain. We will seek to use our influence with those with whom we do business directly, in particular our suppliers, to promote the achievement of our Social, Ethical and Environmental Principles. As a customer we believe we have an opportunity to seek to influence the social, ethical and environmental performance of our suppliers in a positive manner. In order to do so it is necessary that our suppliers, and in turn their suppliers, should understand AMC's standards as set out in this Supplier Code of Conduct ("Code"). Therefore, we encourage suppliers to ensure that this Code is communicated throughout our supply chain.

AMC aims to pursue its business activities in what it considers to be an ethical and professional manner. Specifically, and subject to the needs of its business, it aims to promote stable, sustainable, long-term relationships with its suppliers and other business partners. AMC intends to live by the principles of this Code within its own operations and has adopted Social, Ethical and Environmental Principles and policies to this effect.

### **Legal compliance**

AMC expects all its suppliers to comply with their national laws and regulations and to respect the fundamental International Labor Organization (ILO) conventions, the Universal Declaration of Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the 'OECD Guidance'). Where the Code or national law addresses the same issue, the supplier is expected, as a minimum, to be in compliance with the applicable legal requirements of the country in which it operates.

## Health & safety

AMC expects its suppliers to provide a safe and healthy environment for their employees in accordance with applicable local laws and regulations. Appropriate procedures should be in place to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities. Suppliers should be encouraged to have a nominated health & safety representative who monitors the facility's compliance with procedures.

Specifically, suppliers should ensure that:

- Safe alternatives to the use of hazardous substances are adopted
  - The use of cobalt discs is avoided
  - Workers' eyesight is protected by ensuring the availability and use of appropriate magnifying tools when working on jewelry, diamonds and gemstones, and by providing appropriate lighting
  - Workers are protected from repetitive strain injury as far as possible considering the ergonomics of their workplace
- Facilities have adequate ventilation from harmful fumes or dust
- Appropriate protective clothing is provided and use of protective clothing is ensured
- Facilities need to have adequate fire safety standards/procedures, including regular fire drills for all employees, appropriate firefighting equipment, and easily accessible, and marked and open fire exits in case of emergency
- Residential facilities for workers are kept safe and healthy in accordance with local laws and regulations
- Facilities should have easily accessible, adequate and clean bathrooms
- Potable water should be available at all times
- Where HIV/AIDS is a significant issue in the supplier's location of operations, suppliers should educate workers about the risk of HIV/AIDS and assist in providing access to treatment and medication as necessary.

## Remuneration

AMC expects its suppliers to comply with local laws in respect of minimum wages, working hours, employee benefits and overtime.

## Working hours

Suppliers are expected to comply with applicable local laws and industry standards on working hours. Suppliers should not, except in special circumstances or as permitted by local law, expect employees to work more than the lesser of:

- 48 hours per week
- The limits on regular hours allowed by local law.

AMC recognizes that those in management positions may exceed these limits in the course of carrying out their roles and responsibilities. Also, in light of the seasonal nature of business, AMC recognizes that suppliers' employees may be expected in special circumstances to work longer hours for relatively short periods of time. Where this occurs it should be in compliance with the regulations of the country of employment. Working hours exceeding 48 hours per week should be planned in a way to ensure safe and humane working conditions. Where the company is party to a collective bargaining agreement

freely negotiated with worker organizations (as defined by the ILO) representing a significant portion of its workforce, it may require overtime work in accordance with such agreement to meet short-term business demand.

#### **Discrimination**

AMC expects that its suppliers will not discriminate on race, caste, origin, religion, disability, gender, sexual orientation, union or political affiliation or age.

#### **Harassment and abuse**

AMC expects that its suppliers will provide a safe workplace free from harassment, and they will not permit the use of monetary fines, corporal punishment or other forms of mental or physical abuse, coercion or intimidation.

#### **Forced labor**

AMC expects that its suppliers will not permit the use of any forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise. Forced labor should be considered to include any work or service which is extracted from any person under the threat of penalty for its non-performance and for which the worker does not offer himself or herself voluntarily.

#### **Child labor**

AMC objects to the employment of persons younger than 15 years of age (or 14 where the law of the country permits) or younger than the age for completing compulsory education where this is greater than 15 in the relevant country. In addition, employers must comply with all their local legal requirements for young workers, particularly those pertaining to hours of work, wages, health and safety and general working conditions. A younger worker is defined as any worker over the age of a child as defined above and under the age of 18 years old.

Child labor should be phased out in a responsible manner that does not harm the welfare of the child and ensures that the child's right to health and education are met.

#### **Human Rights**

At the AMC Group, we believe and strongly underwrite human rights and strive to uphold these to the highest level in all our entities. Therefore, the AMC Group respects the UN Declaration on human rights (<https://www.un.org/en/about-us/universal-declaration-of-human-rights> )

The AMC group expects from its suppliers to underwrite and follow these guidelines as well.

#### **Freedom of association**

AMC expects that its suppliers will not prevent employees and other workers from associating freely with any lawful workers' association or collective bargaining association. Where laws prohibit these freedoms, the supplier is encouraged to facilitate parallel means of association and bargaining.

#### **Environment**

AMC expects its suppliers to protect the Environment within their respective spheres of influence. This includes supporting initiatives to promote greater environmental responsibility along the entire jewelry supply chain as well as complying with relevant locally applicable environmental law and regulations.



More specifically AMC believes that natural resources should be developed in a manner that respects the needs of current and future generations. The jewelry industry uses metals and other minerals for a wide variety of purposes and it is therefore in the industry's best interest to ensure that the minerals upon which it depends are obtained, produced and used in environmentally and socially responsible ways.

### **Ethics and integrity**

AMC expects that its suppliers will conduct business with integrity and communicate honestly regarding the nature of the products they supply, disclosing accurately their weight, color and clarity, treatments of gemstones, the standard of fineness and trademarks of articles of precious metals and other matters as required by applicable federal, state and local laws and regulations.

### **Gifts and Bribery**

AMC expects that its suppliers will not offer or provide gifts, gratuities or entertainment designed to induce, support or reward improper conduct in connection with any business or anticipated future business or where such gift, gratuity or entertainment might be seen or expected to compromise the receiver's judgment and integrity.

Likewise, AMC expects that its suppliers will comply with the requirements of the US Foreign Corrupt Practices Act and the UK Bribery Act in all its dealings, no matter where in the world. Such compliance includes prohibiting employees, officers, directors, agents, representatives, affiliates and their families from requesting, accepting, paying or offering any form of "under-the table" payment, "kickback," bribe, rebate, or other improper payment or gratuity, whether directly or through a third party regardless of form, whether in money, property, or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of either party or any affiliate of either party, or (iv) in violation of any legal requirement.

### **Conflict Diamonds**

AMC and its trading subsidiaries fully support the Kimberley Process and require all our trade suppliers of diamonds and diamond jewelry to provide warranties in the form agreed by the World Diamond Council and/or Kimberley Process Certificates.

Invoices and packing slips for diamonds and diamond jewelry shipped to any trading subsidiary must contain a proper warranty statement or, if applicable, be accompanied by a Kimberley Process Certificate. Please refer to the appropriate trading subsidiary's Supplier Manual for the warranty statement and other specific requirements.

### **Monitoring**

Suppliers are encouraged to institute a self-monitoring system based on this Code and move towards independent verification of Code compliance.

Suppliers are encouraged to take appropriate steps to ensure the provisions of this Code are communicated to their employees and their own supply chain. Suppliers are also encouraged to ensure that the Principles referred to above are adopted and applied by their employees, suppliers, agents and contractors so far as reasonably possible.



## **Sourcing Policy**

The AMC Group has adopted and implemented a supply chain with respect to sourcing from conflict-affected and high-risk areas (CAHRAs), consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

It has appointed its Rough Director of AMC Group, as the ultimate sourcing responsible who leads this quest and who is in charge to implement the company's responsible sourcing policies and procedures. He will overlook the implementation of the supply chain policy of the group's entities. The sourcing responsible make sure that sufficient resources are allocated to ensure the implementation of the company's sourcing policy.

The AMC Group will refrain from sourcing diamonds from CAHRA's and has policies and procedures in place to define these sources and mitigate their risk.

Similarly, AMC requires from its suppliers to provide them with the information if their diamonds are being sourced from conflict-affected and high-risk areas (CAHRAs), consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

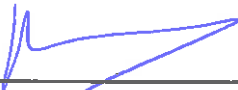
## **Reporting on breaches**

Reporting on breaches Suppliers, their workers and contractors are required to report actual or suspected breaches of this Responsible Sourcing Policy as quickly as possible to AMC 's Compliance Department, by phone at +32 3 226 40 44 or by e-mail ([info@amcdiamonds.be](mailto:info@amcdiamonds.be)).

Any breach of the above code of conduct by Suppliers that has not been reported and is revealed afterwards will lead to an immediate termination of the cooperation and if deemed necessary can lead to further legal claims for loss of trust and deception.

## **Reporting on due diligence**

Once a year, in January, the company reports on its due diligence activities conducted on its suppliers. The report is being assessed in the yearly audit. The AMC management reviews the report and assessment yearly and adapts their activities where necessary.

 09/05/23  
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DAVID PARNAS  
DIRECTOR