

Responsible Business Policy

Introduction

The company, Dany Avlas Diamonds ("Avlas"), is a manufacturer and trader of white fancy cut diamonds. Our head office and factory are located in Ramat Gan (Tel Aviv, Israel) and we have a regional office in Hong Kong. In Israel Avlas employs about 14 full-time employees and in Hong Kong 2 employees are running the office there. Dany Avlas Diamonds is a Member of the Responsible Jewellery Council (RJC). The RJC is a standards-setting organisation that has been established to advance responsible ethical, human rights, social and environmental practices throughout the diamond, gold and platinum group metals jewellery supply chain. The RJC has developed a benchmark standard for the jewellery supply chain and credible mechanisms for verifying responsible business practices through third party auditing. As an RJC Member, we commit to operating our business in accordance with the RJC Code of Practices. We commit to integrating ethical, human rights, social and environmental considerations into our day-to-day operations, business planning activities and decision making processes. We seek to act in a transparent and accountable manner towards all our business relations.

Legislation and Regulations

Avlas shall adhere and comply with relevant National and International Rules, Regulations and Legislations as may be applicable from time to time in the countries of incorporation in which the Company shall carry on its business.

Money Laundering, Terrorism Financing, Other Financial Offences

Avlas recognizes the fact that entities in the Gems and Jewellery sector needs to take onus of analyzing their potential vulnerabilities towards Money Laundering and put in place specific procedures that are required for protection against misuse by third parties.

Strict and Proper compliance is ensured at all times of all applicable National and wherever applicable, International Laws/ Regulations with respect to Money Laundering, Terrorism and other International Financial Offences. Avlas shall identify all new and unknown business relationships prior to any transactions carried out. Therefore the company shall request a Know Your Customer (KYC) Form to be filled and signed. Avlas shall only do business with legitimate business entities.

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Due diligence and steps taken towards Compliances of the applicable law

Performs appropriate due diligence (OECD) on a risk based approach over our counterparties and has therefore a business partner risk assessment in place.

Ensures appropriate scrutiny and monitoring of transactions by applying a risk based approach.

Take steps to contribute to the effective elimination of Money Laundering and Terrorism Financing by promptly reporting of suspicions transactions to the Local Financial Intelligence Unit (FIU).

Kimberley Process and System of Warranties

Avlas is fully committed towards complying with all the requirements specified in the Kimberley Process Certification Scheme and World Diamond Council's (WDC) System of Warranties Declaration.

Avlas does not buy diamonds from suspect sources or unknown suppliers, or which originate in countries that have not implemented the Kimberley Process Certification Scheme and declaration of System of Warranties.

Anti-Bribery and Facilitation Payment Policy

Avlas ensures complete prohibition of Bribery and Facilitation Payment in its strictest sense. It will not offer, accept or countenance any payment, gift, political donations, charitable contributions, sponsorship, expense or promises to (or from) public officials, political candidates, parties or officials, or private sector employees, directors or officers to obtain or retain business or a business advantage.

Policy regarding Treated Diamonds, Synthetics and Stimulants

Avlas is solely buying and selling 100% natural and untreated diamonds. The company ensures that no synthetic diamonds can be brought to the supply chain. Avlas has put screening procedures in place to ensure this.

Employment

We ensure compliance of all applicable national and, where appropriate, international laws / regulations with respect to employment and labour law. We believe in the bonding of employers and employees to ensure harmonious work environment.

Health, Safety & Environment

The Company recognizes the need to develop a sustainable, value creating business. This is ensured by proper management of risk, and its controls to eliminate or minimize the hazard potentials.

We are committed to high standards of Health and Safety in our operations.

We will conduct our business in an environmentally responsible manner and will ensure the efficiency of our business operations by managing our use of resources and energy.

We ensure compliance to all legal and statutory requirements in this regards.

Non Discrimination, Disciplinary Practices

We ensure no 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 other criteria that are unlawful is strongly discouraged by the Company.

Non retaliation is ensured in all our establishments.

Child Labour

Avlas shall not engage in and restrict any form of use of Child Labour.

Forced Labour

Avlas shall not engage in and restrict any form of forced or compulsory labour.

The following definitions will be applicable:

- 1) The Universal Declaration of Human Rights that states that 'No one shall be held in slavery or servitude.'
- 2) ILO Convention 29, which defines forced or compulsory labour

Human Rights

Avlas shall not engage in and restrict human right violations and abuses such as widespread sexual violence, war crimes or other serious violations of international humanitarian law, crime against humanity or genocide, any form of torture, cruel, in Human and degrading treatment.

Product Security & Safety

Product purity, quality and other parameters are monitored at each stage to avoid switch over of the products, also products are covered under insurance to protect it against theft, robbery and other associated risks.

Avlas commits to handle all diamonds with care and it is our priority to take all necessary precautions to prevent damage to diamonds when storing, handling and shipping them.

Signed/endorsed:

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