

2.0 Policy and Implementation

2.1 Policy

The RJC Code of Practices policy

The RJC Code of practices policy defines the L&R Josyfon Ltd. standards on business ethics, human rights, social performance and environmental performance against which L&R Josyfon Ltd. are to be certified. A key feature of RJC certification is the requirement for independent third-party auditing of L&R Josyfon Ltd. management systems and performance. The RJC certification system also establishes mechanisms for early identification of issues, corrective action, and enforcement methodology.

The L&R Josyfon Ltd. Code of practices covers a wide range of sustainable development issues, and is applicable throughout the supply chain, from rough diamonds to jewellery retail to the final consumer. As Members of the Responsible Jewellery Council, L&R Josyfon Ltd. seeks economic, social and environmental benefits from its business activities so that the company contribute to sustainable development following the guidelines:

- *we are committed to conducting our businesses to a high ethical standard, and to ensuring integrity, transparency and conformance with applicable law.*
- *we will not engage in bribery and/or corruption.*
- *we will not tolerate Money laundering and/or financing of terrorism.*
- *we will adhere to the Kimberley process Certification system and the world Diamond Council voluntary system of warranties.*
- *we will take reasonable measures to ensure the physical integrity and security of product shipments.*
- *we will respect the fundamental human rights and the dignity of the individual, according to the United nations Universal Declaration of Human Rights.*
- *we are committed to high standards of health and safety in our operations.*
- *we will adhere to working hours and remuneration legislation,*
- *we will conduct our business in an environmentally responsible manner.*

Bruce Josyfon

2.2 Responsibility

Top management has nominated Bruce Josyfon to have the responsibility to establish and implement the policies related to RJC. L&R Josyfon Ltd. has established policies wherever relevant RJC code requires the same to be established. Some policies are combined keeping in mind the structure and nature of business.

2.3 Procedure

- Bruce Josyfon has ensured that all the policies required by the RJC COP as well as any other are established.
- The policies are documented, integrated into the RJC manual as required, approved and communicated to the members of L&R Josyfon Ltd.

- Bruce Josyfon ensures relevant processes, formats, responsibilities are developed in line with requirements of the COP and provides training to all employees related to enable effective implementation at least once every year or as a minimum at the time of joining.
- The employee knowledge is upgraded whenever there are changes to the RJC requirements, laws, business partner needs or any significant changes in the industry practices that are worth sharing with the employees.
- The laid down policies are reviewed by the top management at least once every year, or as and when there are changes in the company structure, business environment, change in the codes / standards or other appropriate events.
- Wherever required, Bruce Josyfon communicates with relevant stakeholders and employees to ensure compliance.

2.4 Risk Management

- Bruce Josyfon ensures that all relevant areas of RJC are reviewed for relevant risks at least once every year.
- He reviews inputs from general sources, self-experiences, grievances, business partners feedback, inputs from employees and other interested parties and identifies risks relevant.
- The risks are documented in the RJC risk tool and graded based on the combination of severities of probabilities of risk.
- Any risk that is graded as high risk, mandatory actions are decided to ensure that all risks are mitigated.
- In case there are certain risks, that cannot be mitigated, Bruce Josyfon reviews them and makes a record of those through periodic management reviews.

2.5 Corrective Actions

- Whenever any deviation or non-conformity is identified in any element of the RJC or statutory compliance, Bruce Josyfon ensures that the details of the non-conformities are recorded.
- He reviews the non-conformity details and decides if any immediate corrections can be made and implements them.
- Where there is need to investigate this further, a root cause analysis is carried out to determine appropriate causes of the non-conformity.
- Corrective actions (that will prevent the non-conformity from reoccurring are determined and implemented.
- Bruce Josyfon then reviews the effectiveness of this process and the actions taken.

2.6 Records

- Management Review (Annexure 2.1)
- Communication Records (Annexure 2.2)
- Training Record (Annexure 2.3)
- Corrective Action Records (Annexure 2.4)
- Risk Records (As per RJC Risk Tool)