

[2026]

NIRU Group Responsible Sourcing and Supplier Management

NG-RSSM-10

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DOCUMENT APPROVAL

This document combines NIRU Group's Responsible Sourcing Policy commitments with the suppliers operational procedures implemented across the supply chain.

NIRU Group is committed to responsible sourcing of diamonds, coloured gemstones and precious metals. This policy sets out the standards, roles, processes and controls required to identify, assess, mitigate and remediate risks related to human rights, conflict financing, environmental harm and unethical practices across the supply chain, in line with the Responsible Jewellery Council Code of Practices (COP), the OECD Due Diligence Guidance and the UN Guiding Principles on Business and Human Rights.

This **NIRU Group Responsible Sourcing Policy and Supplier Management Procedures** serves as a foundational reference to ensure that all aspects of NIRU's supply chain are fully aligned with internationally recognized standards on sustainability, fundamental rights, human rights and environmental stewardship from raw materials' origin to the finished product. This manual provides a clear guidance for procurement of precious materials through ethically and environmentally responsible practices. By adhering to these principles, our suppliers become valuable partners in our shared journey towards creating a happier and more sustainable future.

The contents of this document have been reviewed and approved by the group's CEO.

All employees of NIRU Group of companies are required to be familiar with this document and comply with various requirements contained in this document.

The group's COO is responsible for making changes / revisions to this document and all employees are advised to bring to his attention any problems that they may face in the implementation of the requirements contained in this document.

Ranjeet Barmecha

NIRU GROUP CEO



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1. Purpose & Mission

At NIRU Group, we believe that our business must embrace ethical, social and environmental responsibility, value-driven partnerships and a shared purpose of "Spreading Happiness".

We recognize that meaningful collaboration with our suppliers and stakeholders strengthens supply chain resilience, enhances transparency, and supports the achievement of our sustainability objectives.

This Responsible Sourcing Policy and Supplier Management Manual highlights the critical role of our suppliers in contributing to our values and long-term commitments. It aims to foster durable, high-quality relationships and to promote responsible purchasing practices that generate positive and lasting social and environmental impact throughout the supply chain.

2. Governance and Responsibilities

2.1. Chief Operating Officer (COO)-

- 2.1.1. Globally oversees and manages the supply chain process.
- 2.1.2. Develops and implements supply chain strategies to align with organizational goals.
- 2.1.3. Coordinates activities across different functions within the supply chain.
- 2.1.4. Manages risk assessment and mitigation strategies.
- 2.1.5. Leads initiatives to identify and implement process improvements in the supply chain.
- 2.1.6. Focuses on optimizing efficiency and reducing costs.

2.2. Global Compliance Manager-

- 2.2.1. Operational responsibility for implementing the Responsible Sourcing Policy and Supplier Management Procedures across all NIRU entities.
- 2.2.2. Define the Group-wide due diligence methodology, risk assessment criteria, red flag indicators and CAHRA evaluation framework.
- 2.2.3. Conducts due diligence and regular risk assessment to ensure the company adheres to legal and ethical industry standards.
- 2.2.4. Oversee implementation of responsible sourcing systems across all entities.
- 2.2.5. Coordinate preparation for third-party audits (RJC COP, CoC, BPP, clients audits) and monitor corrective action plans at Group level.
- 2.2.6. Monitor regulatory developments (e.g., sanctions, G7 restrictions, CAHRA updates) and update internal requirements accordingly.
- 2.2.7. Report regularly to the COO to continuously refine the due diligence strategy.

2.3. Local Compliance Manager-

- 2.3.1. Implement and monitor the Group Responsible Sourcing Policy and related procedures within the specific entity.
- 2.3.2. Conduct and document entity-level risk assessments, including identification of red flags and CAHRA-related risks.
- 2.3.3. Maintain local compliance documentation, audit trails, and records related to supplier due diligence and origin declarations.
- 2.3.4. Support and participate in internal audits and external third-party audits.
- 2.3.5. Promote compliance awareness and responsible sourcing training within the entity.

2.4. Local Supply Chain Manager-

- 2.4.1. Manages the supply chain process in the specific entity.
- 2.4.2. Coordinates activities across different functions within the supply chain
- 2.4.3. Responsible for Key Supplier CSR Management:
 - 2.4.3.1. Key supplier engagement on CSR topics
 - 2.4.3.2. Key supplier training on CSR topics



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- 2.4.4. Key Supplier performance measurement and improvement process
- 2.4.5. Leads initiatives to identify and implement process improvements in the supply chain.
- 2.4.6. Conducts internal audits and updates supplier records annually
- 2.5. Rough Diamond Buyer-
 - 2.5.1. Responsible for sourcing and purchasing rough diamonds.
 - 2.5.2. Negotiates contracts with suppliers and manages supplier relationships.
- 2.6. Polish Diamond Buyer-
 - 2.6.1. Responsible for sourcing and purchasing polished diamonds.
 - 2.6.2. Negotiates contracts with suppliers and manages supplier relationships.
- 2.7. Colored Stone Buyer-
 - 2.7.1. Responsible for sourcing and purchasing rough and polished colored stones.
 - 2.7.2. Negotiates contracts with suppliers and manages supplier relationships.
- 2.8. Precious Metal Buyer-
 - 2.8.1. Responsible for sourcing and purchasing gold, silver and PGM
 - 2.8.2. Negotiates contracts with suppliers and manages supplier relationships.
- 2.9. Import Controller-
 - 2.9.1. Verifies documentation on receipt, including origin declarations and warranty statement before materials enter the group's supply chain.
- 2.10. Quality Assurance/Control Manager-
 - 2.10.1. Ensures that products meet quality standards and specifications.
 - 2.10.2. Collaborates with suppliers to maintain and improve product quality.

3. Management commitment: Framework and Industry Standards

NIRU Group's responsible sourcing framework is built on internationally and industry standards:

- 3.1. OECD Due Diligence Guidance-NIRU Group's responsible sourcing framework follows the five-step of the OECD Due Diligence process for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas hereinafter ("the Guidance") and is applicable to all precious materials sourced by Niru Group.
- 3.2. RJC COP-This policy fulfils the requirements of the Responsible Jewellery Council (COP 7) including management systems, risk assessment, risk mitigation, grievance mechanisms, and monitoring. Each entity undergoes third-party verification at least every three years. To ensure ethical procurement along the supply chain, preference is given to RJC-certified diamonds suppliers and we encourage our non-RJC suppliers to start the certification process.
- 3.3. UN Guiding Principles- This Sourcing policy upholds the United Nations Guiding Principles on Business and Human Rights, complying strictly with all relevant United Nations sanctions, resolutions, and national laws related to responsible mineral sourcing.
- 3.4. Kimberley Process / WDC-NIRU Group's adherence to the Kimberley Process Certification Scheme (KPCS) reflects our commitment to ethical sourcing. The KP requirements ensures that the rough diamonds parcel we procure are not associated with money laundering, financing of terrorism or human rights abuses; that workers' rights and well-being are protected; and that environmental impact is minimized. NIRU Group implements also the World Diamond Council's Industry System (WDC) of Warranties Guidelines. All invoices and memos for diamonds must carry a supplier warranty statement confirming conflict-free sourcing. By carefully monitoring the country of origin for all rough diamonds, Niru promotes transparency, accountability, and responsible sourcing across the supply chain. In addition, the Group conducts regular internal audits to ensure full compliance with policies and procedures relating to the Kimberley Process.
- 3.5. De Beers Best Practice Principles (BPP)- As a De Beers Sightholder, strict adherence to the Best Practice Principles underscores Niru Group commitment to legal compliance, human rights, labor rights, health and safety, and environmental sustainability. Each of our entity conducts an



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annual self-assessment, while a randomly selected entity is subjected to a rigorous independent third-party audit every year.

- 3.6. Responsible Precious Metals Sourcing (Coc) - To uphold the highest ethical standards in gold sourcing, Niru follows the RJC Chain of Custody (CoC) Standard. Our Swiss Manufacture of watchmaking and jewelry components is CoC-certified, ensuring full traceability and responsible sourcing of gold and precious metals procurement. Niru's precious metals are sourced exclusively from long-term Swiss refineries certified against the Chain-of-Custody (COC) standard.
- 3.7. Russia sanctions-Since February 2022, Niru has ceased all sourcing of diamonds from the Russian Federation. Niru confirms that all diamonds sourced, traded, and supplied by the Group are not of Russian origin, have not been mined, processed, exported from, or transited through the Russian Federation, in full compliance with the reinforced G7 restrictions introduced in 2024 and further strengthened in January 2026.
- 3.8. Niru expects its members, business partners, suppliers and customers throughout the supply chain to comply with all applicable laws and regulations governing their sourcing activities, including United Nations sanctions related to responsible sourcing.

4. Materials and Supply Chain Scope

- 4.1 Precious materials sourced by NIRU Group from external Suppliers:
 - 4.1.1. Diamonds
 - 4.1.2. Color Stones
 - 4.1.3. Precious metals (gold, silver, PGM)
- 4.2 Group Suppliers for Precious Materials
 - 4.2.1. Mining Companies
 - 4.2.2. Diamond and Color Stone Manufacturers
 - 4.2.3. Diamond and Color Stone traders
 - 4.2.4. Precious metals suppliers.
- 4.3 Special Suppliers
 - 4.3.1. Key Brand Suppliers- A supplier whose products are utilized for top brand watches and jewelry.
 - 4.3.2. Large-scale mining Companies- Where a mining company is RJC-certified, NIRU Group recognises the robustness of its management systems. In such cases, certain additional supplier-specific procedures described in this manual may be adapted, without prejudice to NIRU Group's overall due diligence and monitoring obligations.
 - 4.3.3. Artisanal and Small-Scale Mining-(ASM): Niru NIRU Group does not currently source gemstones or precious metals directly from (ASM) operations. Should NIRU consider sourcing from ASM in the future, such sourcing would be subject to enhanced, risk-based due diligence aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and applicable international human rights standards.
 - 4.3.4. Polished - Partnership with a Manufacturer - An External Manufacturing center that uses its own rough and sells the polish to NIRU Group. When NIRU Group shall work with an external manufacturing center the requirements of such a supplier will be:
 - 4.3.4.1. RJC certified.
 - 4.3.4.2. Audited Traceability Procedure

5. Responsible Procurement Strategy



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As per NIRU Group's Supply Chain Strategy "Supply chain Management Policies and Procedures NG-SCM-004 3". Supply Chain" Strategy, -NIRU Group's procurement strategy is to purchase from suppliers that are Happy, Short, and Efficient.

5.1. Happy- Share our vision and mission of Spreading Happiness in the world:

5.1.1. Preference for RJC members or certified suppliers

5.1.2. Preference for ESG-engaged suppliers.

5.2. Short- As close as possible to the source:

5.2.1. Rough- Preference for sourcing directly from mining companies

5.2.2. Polish- Preference for manufactures

5.3. Efficient- Reliable, consistent quality that meets NIRU Group's requirements, competitive pricing

6. Risk-Based Responsible Sourcing Framework

6.1. Risk Management strategy: Due Diligence- Our due diligence framework is designed to identify, assess, and mitigate supply chain risks while ensuring that all sourcing activities are aligned with international best practices, industry standards, and our corporate values of responsibility and accountability.

6.1.1 Sourcing Risk Assessment

As part of Niru Group's responsible sourcing strategy or diamonds, colored gemstones and precious metals, we apply a structured, risk-based due diligence approach to identify, assess and manage actual and potential risks within our supply chain. This framework is aligned with the OECD Due Diligence Guidance and is designed to anticipate and mitigate risks related to human rights abuses, conflict financing, corruption, sanctions exposure, and environmental harm.

6.1.1.1 Origin as the Primary Risk Factor. Country and mine origin constitute the primary risk indicator in NIRU Group's sourcing risk assessment. Through a location-based risk evaluation, NIRU assesses whether extraction, transport or trade occurs in a Conflict-Affected and High-Risk Area (CAHRA). The assessment is conducted through: GPS coordinates of mining locations where available, a review of specialized and reliable sources of country risk indices, updated at least annually. The TDi CAHRA Index tool is a critical element of our company's risk assessment process used to identify high-risk areas. The TDI CAHRA Index grades the likelihood that a country could meet the OECD definition of a CAHRA.

6.1.1.2 Diamond Supply Chain-Exclusion Principle: In alignment with NIRU Group's procurement Restrictions on Diamond Origins (Please see 9.1. Restricted Origins and "Product Integrity Requirements for Supplier Shipments.") Niru Group prohibits sourcing diamonds originating from Conflict-Affected and High-Risk Areas (CAHRAs). Where diamond origin is identified as a CAHRA, no enhanced mitigation pathway is available for diamonds from such origins.

6.1.1.3 Colored Stone Supply Chain – Risk-Based Non-Exclusion Principle: Recognizing the structural complexity and fragmentation of the colored gemstone industry, NIRU does not apply automatic country-level exclusion solely on the basis of CAHRA classification, since it may weaken opportunities for sustainable economic development for workers and communities in these in vulnerable regions. Therefore we do not exclude entire country from our supply chain except where prohibited by law, sanctions or internal origin restrictions.

6.1.1.4 The identification of a CAHRA in the color stone supply chain automatically triggers an in-depth review of actual and potential risks as well as possible adverse impacts associated with sourcing from these higher-risk supply chains. Our traceability journey remains possible through the strong partnerships and close collaboration established with our suppliers. Where sourcing occurs from CAHRAs, NIRU requires evidence that



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materials originate from “responsible operations” and that adequate due diligence and mitigation measures are implemented. This pragmatic approach aligned with the OECD Due Diligence Guidance, supports legitimate livelihoods, strengthen environmental and social performance and long-term sustainability while managing risk appropriately. In such cases, sourcing may be permitted :

- A. Only from Large-Scale, Reputable Mining Companies that can demonstrate compliance with international human rights, labour, and environmental standards and with fully traceable supply chains
- B. Only from Manufacturers with Direct Mine Relationships – Where sourcing occurs through intermediaries or manufacturers, Niru requires independently verifiable documentation demonstrating direct sourcing relationships with reputable mining operations.
- C. With enhanced subsequent risk assessment:
 - i. Evaluation of the supplier’s risk mitigation measures designed to prevent, reduce, or eliminate identified risks, with particular attention to the extent to which sourcing activities contribute to positive economic impact and responsible social development in these fragile societies.
 - ii. Documented evidence demonstrating that reasonable efforts have been made to ensure there is no risk of conflict financing, human rights violations or other serious adverse impacts.
- D. On-Site verification-Colored Gemstone Manufacturers- Unlike the diamond sector, the colored gemstone industry does not operate under a unified global certification scheme, and traceability systems are often less standardized. Additionally, many suppliers are not RJC-certified and may operate within informal or semi-formal environments. Given these realities, reliance solely on documentary review or supplier self-declarations may not provide sufficient assurance. The objective of on-site visit verification is to strengthen NIRU Group’s risk-based due diligence approach. The visit is conducted using NIRU Group’s Supplier Audit Checklist (Appendix 8), which includes structured assessment of origin documentation and traceability system, record-keeping practices, environmental awareness, and responsible sourcing behaviours observed in daily operations. This audit checklist strengthens the credibility of supplier declarations, through direct on-site observation and structured dialogue. It enables NIRU to identify operational gaps or inconsistencies that may not be detectable through documentary review alone and to define appropriate follow-up or corrective actions where necessary. Please see Appendix 8 *Supplier Audit Checklist Form*.

7. RiskMitigation and Remediation

7.1. General mitigation process- For identified risks, NIRU will will engage directly with the supplier and will request:

- 7.1.1. Evidence of their own due diligence and risk mitigation procedures related to responsible sourcing. The objective is to evaluate whether the supplier’s due diligence systems are adequate and aligned with Niru Group one. Specifically, we will request the following information:
 - 7.1.1.1. A copy of the supplier’s supply chain policy for responsible sourcing of minerals;
 - 7.1.1.2. The management system they have in place to identify risks and define mitigation strategies.
 - 7.1.1.3. The data management system they use to manage supply chain information.



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- 7.1.2 A corrective action plan including clear timelines and measurable outcomes, with the objective of mitigating risks in a sustainable and responsible manner.
- 7.2 ASM specific remediation in Colored Stone Supply Chain (please see 4.3.3 Artisanal and Small-Scale Mining) The below measures would apply only in the event that sourcing from ASM is initiated or identified within the supply chain.
- 7.2.1 Sourcing from ASM operating without proper permits: Niru will work with the supplier to Support formalization of ASM operations and obtaining all required permits.
- 7.2.2 Sourcing from ASM Associated with the Risk of Child Labour: we will require a commitment to eliminate child labor. If children are found in the worst forms of child labour, ensure immediate withdrawal and provide access to safe alternatives, such as education or income-generating opportunities for their families.
- 7.2.3 Provide fair commercial terms and facilitate access to legitimate markets. This could include: Guaranteeing a certain volume of purchases and uaranteeing fair payment terms etc.
- 7.3 NIRU may suspend acceptance of any further shipments until remediation is demonstrated until these risks have been investigated and responded to appropriately.
- 7.4 For serious abuses associated with the extraction, trade and transport of minerals” NIRU reserves the right to terminate the relationship.

8. Supplier Selection, Verification and Onboarding

8.1. Supplier Minimum Qualification and Beneficial Ownership Risk Assessment Criteria-

- 8.1.1. Not blacklisted on “World Bank Website”
- 8.1.2 Not Backlisted on OFAC (The Office of Foreign Assets Control)
- 8.1.3 Background Review- Conduct thorough review of supplier-level risks to identify red flags as described in section 6.1.1 (sourcing risk assessment)
- 8.1.4 Supplier Identification (Valid registration documents)
- 8.1.5 Beneficial ownership identification
- 8.1.6 Valid license to work with Diamonds/Color Stones
- 8.1.7 Insurance Certificate and Certificate of Social Contributions document where applicable.

8.2. Supplier Onboarding steps-

- 8.2.1 Acceptance of Supplier Code of Conduct (For further information please see “NIRU Group Supplier Code of Conduct 2.0.”). By signing our Supplier Code of Conduct, suppliers formally commit to upholding ethical, social, and sustainability standards along the entire supply chain and to align with Niru Group core values and commitments. Suppliers are also required to establish and maintain appropriate due diligence processes to ensure their ability to respond accurately and transparently to NIRU Group’s requests and inquiries regarding their supply chain.
- 8.2.2 Supplier Due Diligence and Risk Assessment. The Due Diligence Form serves as NIRU Group’s “**Know Your Supplier/Counterparty**” (KYS/KYC) tool. It is a risk-based, group-wide



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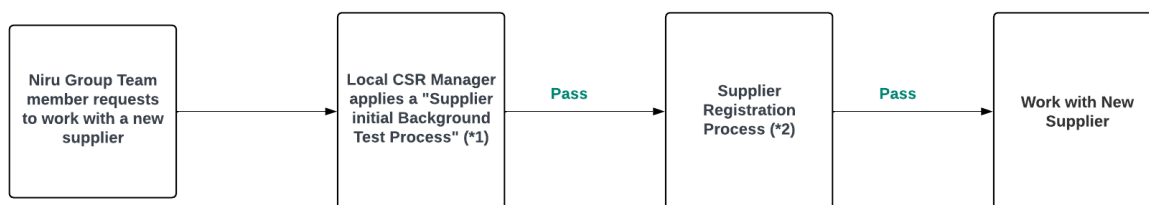
screening mechanism used during supplier onboarding and periodic reviews. It establishes baseline expectations and formal commitments in relation to responsible sourcing, ethical conduct and compliance requirements. It serves as a key component of our supply chain risk assessment ensuring a rigorous selection of ethical suppliers that respect our values. Suppliers are expected to comply with ethical and regulatory requirements regarding labor rights, human rights and ESG matters. Suppliers should act with transparency and provide Niru with all necessary information regarding the provenance of materials, the manufacturing processes applied, the manufacturing locations and traceability regarding their sourcing practices. Niru will review and keep records and information

8.2.3 Onboarding Training and Provenance Information Sharing. As part of the supplier qualification process, NIRU provides onboarding training to all new suppliers to ensure that suppliers fully understand NIRU's sourcing expectation. This training explains the requirements of the NIRU Due Diligence Form and clarifies the information that suppliers are expected to share regarding their sources of supply and due diligence procedures for managing risks in their supply chains. Suppliers are specifically asked to disclose with percentages the country of origin and/or mining company from which the company sources its diamonds/colored stones. Suppliers must also disclose the geographical locations and countries from which their source diamonds/colored stones supplied to NIRU. The onboarding training also includes a detailed explanation of NIRU Group's Restricted Origins Policy. This requirement applies to diamonds, colored stones, and precious metals, and ensures alignment with the United Nations resolutions, international sanctions and NIRU's own ethical sourcing standards. Suppliers must ensure that no materials delivered to NIRU originate from restricted sources and must provide accurate origin declarations for every shipment as Niru group do not buy precious material from unknown sources.

8.2.4 This on boarding training strengthens supplier awareness, reinforces transparency obligations, and supports the development of a responsible and sustainable supply chain. It will also give an opportunity to assess any training or capacity-building needs.

8.2.5 Quality of Product matches NIRU Group's Requirements.

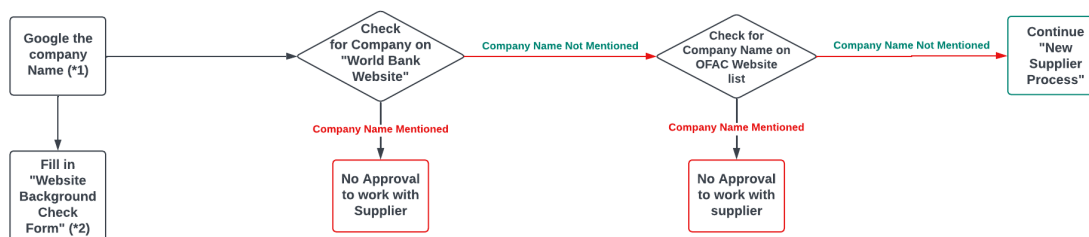
8.3. Supplier Process- New suppliers willing to engage in business with NIRU Group, will need to follow the following process below to become a NIRU Group Supplier:



*1- Please see 8.4 Supplier Initial Background Test Process

*2- Please see 8.5 Supplier Registration Process

8.4. Supplier Initial Background Test Process-

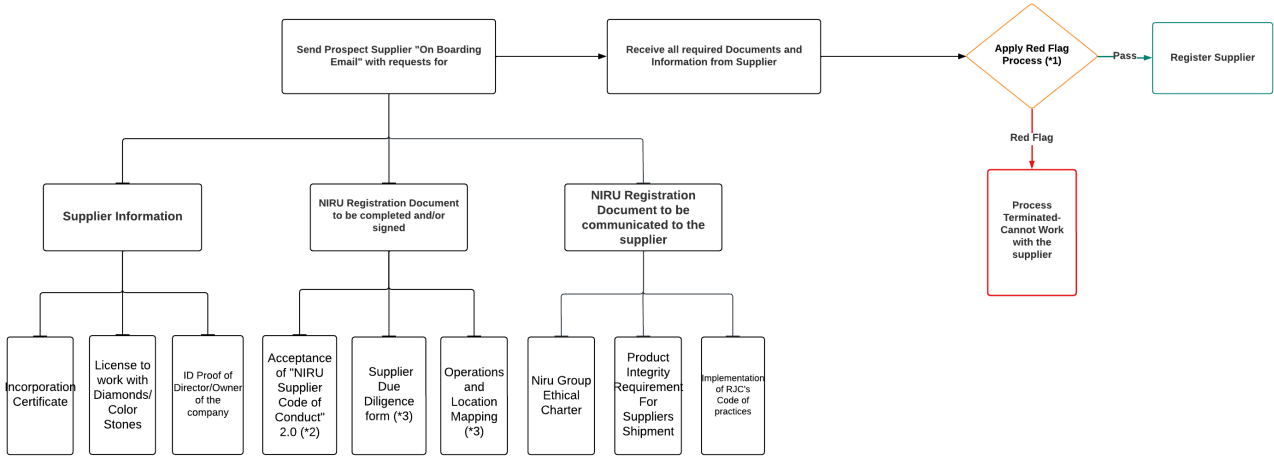


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*1- If the company does not have a website, the CSR manager will call the company contact person to inquire for the information for the "Website Background Check Form."

*2- Please see Appendix 1- Website Background Check Form

8.5. Supplier Registration Process-



*1- Please see 8.5 Red Flagging Process .

*2- Please refer to NIRU Group Supplier’s Code of Conduct 2.0 .

*3- Relevant for Key Brand Suppliers (4.1). Please see Appendix 3- "Supplier Operations and Locations Mapping Form."

8.6 Red Flagging Process-

Indication	Flag	Action
Name appears in "World Bank List" https://www.worldbank.org/en/projects-operations/procurement/debarred-firms	Red Flag	Cannot Work With Supplier
Name appears in OFAC List https://sdnsearch.ofac.treas.gov/	Red Flag	Cannot Work With Supplier
If Origin restriction is not followed according to NIRU Group’s Product Integrity requirements for Supplier Shipments Guidelines	Red Flag	Cannot Work With Supplier

9. Restrictions on provenance and Origin Declarations

9.1. Restricted Origins-When purchasing from a supplier it is explicitly communicated that NIRU Group does not accept precious materials from the following origins. (For further information please see "Product Integrity Requirements for Supplier Shipments."). This list is reviewed periodically and may be updated to reflect regulatory changes, sanctions or emerging risk assessments.

9.1.1. Procurement Restrictions on Diamond Origins – NIRU Group prohibits sourcing from the CAHRAS list (www.cahraslist.net) and the following origins:

- 9.1.1.1. Zimbabwe
- 9.1.1.2. Sierra Leone



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- 9.1.1.3. Guinea
- 9.1.1.4. Angola
- 9.1.1.5. Democratic Republic of Congo
- 9.1.1.6. Liberia
- 9.1.1.7. Russia
- 9.1.2. Procurement Restrictions on color stones Origins - NIRU Group restricts procurement from:
 - 9.1.2.1. Myanmar
 - 9.1.2.2. Russia
 - 9.1.2.3. Afghanistan
 - 9.1.2.4. Zimbabwe
 - 9.1.2.5. Democratic Republic of Congo
- 9.2. Mandatory Origin declarations and warranties- To ensure transparency and promote collaborative relationships, upon every shipment of Diamonds or Color Stones, NIRU Group requires the supplier to adhere to specific product integrity requirements and to complete an origin declaration form.
 - 9.2.1. Diamonds: Rough Supplier Origin Declarations- NIRU Group requests rough suppliers to declare the rough origin for every shipment Please see (Appendix 4)- “Diamond: Rough Supplier Origin Declaration Form” and (Appendix 6)- “Supplier Origin Warranties statements”. Diamonds sent to NIRU Group without the information below will not be accepted until receiving the required declarations and origin warranties statements. This form is the preferable format for NIRU Group to receive from the rough suppliers. If the rough supplier will not be able to share this format, NIRU Group will request other formats from the supplier. The supplier’s format should be approved by NIRU Group and will consist of all the necessary information required by NIRU Group.
 - 9.2.2. Diamonds: Polish Supplier Origin declarations- NIRU Group requires polish suppliers to declare the rough origin of the diamonds and the manufacturing information for every shipment. Diamonds sent to NIRU Group without the required information will not be accepted until receiving the required declarations of Origin and Manufacturing information. If the information will not meet Niru's rough source requirements, the diamonds will be sent back to the supplier and will not enter NIRU Group’s supply chain. These are the requirements:Polish Supplier Origin and Manufacturing Declaration Form Please see (Appendix 5)-Diamond:” Polish Supplier Origin and Manufacturing Form”.
 - 9.2.3. Color stones: Rough Supplier Origin Declarations- NIRU Group requests rough suppliers to declare the rough origin for every shipment Please refer to “Color stone Supplier Origin Declaration Form” (Appendix 6)- Color Stones sent to NIRU Group without the information below will not be accepted until receiving the required origin declaration form. If the information does not meet the Niru rough source requirements the color stones will be sent back to the supplier and will not enter NIRU Group’s supply chain.
 - 9.2.4. Color stones: Polish Supplier Origin declaration - NIRU Group requires Polish suppliers to declare the rough origin of the color stones for every shipment. Please refer to “Color stone Supplier Origin Declaration Form” (Appendix 6) Color stones sent to NIRU Group without the required information will not be accepted. If the information will not be applicable to Niru rough source requirements the color stones will be sent back to the supplier and will not enter NIRU Group’s supply chain.
 - 9.2.5. Color stones statements- Any Color stones (Rough and Polish) imported in NIRU Group need to have the statements mentioned in (Appendix 6)“Supplier Origin Warranties statements” and the origin of the rough supplied. If the Supplier Origin Declaration form is missing, Niru Group will request one from the supplier. The import controller will receive a daily alerts to follow up on missing declarations. Without this declaration, Niru Group will not purchase this rough, and the stones will be returned to the supplier.
 - 9.2.6. Traceability Manufacturing Manager-Responsible for reviewing and confirming supplier origin and manufacturing declarations before importing diamonds.
 - 9.2.7. Supplier purchasing activities may only take place once the supplier registration, due diligence, and approval process has been fully completed and formally validated in accordance with this procedure.



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10. Supplier Engagement

Supplier engagement is a core component of NIRU Group's risk mitigation strategy and supports continuous improvement in line with the RJC Code of Practices and the OECD Due Diligence Guidance. As part of NIRU Group's strategy to foster strong partnerships with stakeholders who share our vision, Niru encourages constructive and transparent dialogue with its suppliers to promote responsible business practices. Through joint initiatives, capacity-building efforts, and information sharing, suppliers are encouraged to identify risks, implement corrective actions where necessary, and adopt best practices aligned with international standards. By working together with suppliers and clients, we aim to build a deeper understanding of Environmental, Social, and Governance (ESG) challenges and to drive continuous improvement on issues such as responsible consumption, energy efficiency, and social impact. By defining SBTi targets that rely on the efforts of our suppliers, we aim to improve emissions traceability and engage our entire supply chain in a collective carbon-reduction approach.

11. Supplier Grievance

NIRU Group has established a grievance procedure available within our Company for responding to requests for information and raising and resolving disputes. We allow stakeholders to express anonymously and without fear of reprisal their concerns about human rights, circumstances in the supply chain involving diamonds/colored gemstones including from conflict-affected and high-risk areas or claims related to product provenance. To this end, any stakeholder can raise direct issue and all other concerns by writing to the email address below, in the strictest confidentiality: **compliance@nirugroup.com**. Please refer to (Appendix 10 for the "Supplier Grievance Report").

When receiving a complaint, we will aim to:

- 11.1. Receive and document an accurate report of the complaint or seeking clarification about claims
- 11.2. Explain our complaint procedure and expected timelines
- 11.3. Find out how the complainant would like it addressed/resolved
- 11.4. Assess the eligibility of the complaint and, where applicable, decide who should handle it internally. In cases where we are unable to address the complaint internally (e.g., where our company is too far removed from the origin of the issue raised in the complaint), we may redirect it to a more appropriate entity institution, such as the relevant supplier or industry body. Where the issue can be handled internally, seek further information where possible and appropriate.
- 11.5. Identify any actions we should take including collecting feedback from all parties concerned and monitoring the situation.
- 11.6. Identify corrective or remedial actions where required.
- 11.7. Communicate decisions or outcomes to the complainant, while respecting confidentiality.
- 11.8. Keep records of complaints received and the internal process followed for at least five years.

12. Suppliers Evaluation

12.1. Supplier Monitoring-

- 12.1.1. Yearly up-to-date records on all suppliers- As part of our ongoing commitment to Corporate Social Responsibility (CSR) and to strengthen our Due Diligence process within our supply chains, each January, every local Supply Chain Manager will carry out an annual update of the information will:
 - 12.1.1.1. Ask all suppliers to update any changes in the Due Diligence Form (contact information and supplied material)
 - 12.1.1.2. Update any changes of "Operations and Location Mapping." (For Key Brand Suppliers (4.1))



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- 12.1.1.3. Follow up on the Supplier RJC recertification date by sending emails or contacting the company's responsible representative.
- 12.1.1.4. Update the RJC status of new members who have enrolled for RJC / BPP program.
- 12.1.1.5. Follow up on any expired documents.

12.2. Regular Meetings and Performance Reviews-

- 12.2.1. The Buyer will communicate regularly with the Supplier and share feedback on different topics such as:
 - 12.2.1.1. On-time delivery
 - 12.2.1.2. Quality
 - 12.2.1.3. Packing
 - 12.2.1.4. Pricing
- 12.2.2. The local Supply Chain Manager will communicate with the Supplier on any topics regarding:
 - 12.2.2.1. Traceability
 - 12.2.2.2. Compliance
 - 12.2.2.3. CSR topics: Suppliers demonstrate the transparency of their practices by reporting on their key CSR challenges.

13. Monitoring and Continuous Learning

- 13.1. Communication of the Supply Chain and Supplier Management Manual-Our supply chain policy and supplier management procedure has been communicated to our stakeholders and is available on our website.
- 13.2. Internal Audits- As part of our continuous improvement approach, once a year each entity's Supply Chain Manager will carry out an internal audit to ensure all procedures and policies of supplier management are implemented and respected. *Please (Appendix 7) for "Supplier Management Internal Audit".*
- 13.3. Process Update and Review- Once a year, the C.O.O and the Global compliance manager will review the internal audits finding and verify that policies and guidelines are properly enforced and effectively applied across all entities. The C.O.O and the compliance manager will update any necessary changes in this Manual, policies and procedures as needed.

Appendix I: Website Background Check Form

Date	
Company Name	
Reviewed By	
How many years does the company exist?	
Position in Diamond Supply Chain	



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Products and services	
Facilities and locations	
SightHolders	
CSR certification	

Appendix 2: Supplier Operations and Locations Mapping Form

Name	Address	Owned, Subcontractor or Partner	HQ/Import Export office;	Rough buyers' office;	Rough reception office;	Manufacturing (cutting/polishing);	Polished diamonds sorting;	Synthetics testing (for non-certified);	Kitting (for non-certified);	RJC Member	RJC Certified	BPP Certified
Niru Diamonds Israel (1987) Ltd.	Jabotinsky 1 Maccabi 2246 Ramat Gan Israel.	Owned	x	x	x		x	x	x		x	x
Voegeli & Wirz	Espace Tourbillon Route de la Galaise 11a 1228 Plan-les-Quates Switzerland	Owned	x			x					x	x
Diamond Cutters Ltd.	20-24 Moderawila Industrial Estate Panadura Sri Lanka	Owned	x	x	x	x	x	x			x	x

Appendix 3: Diamond: Rough Supplier Origin Declaration Form

Supplier Name:	Date:
Total Invoice Carats:	Consignment/Invoice #:

Parcel no.*	Carats *	Mining Company*	Mining Country*	% Delivered to Niru from the total export *
XXX	40Cts	Rio Tinto	Canada	40%
YYY	60Cts	De Beers	DTC- Aggregate	60%



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Total Carats: 100 Cts	
Total Percentage	100%

***Must fill**

Date: _____ Signature and Company Stamp: _____

Appendix 4: Diamond: Polish Supplier Origin and Manufacturing Form

Supplier Name:				Date:			
Total Invoice Carats:				Consignment/Invoice #:			
Parcel #*	Carats*	Mining Company*	Mining Country*	Stone Manufacturing Facility Country*	Stone Manufacturing Facility Name*	Stone Manufacturing facility RJC Certified*	% Delivered to NIRU for total Export*
1111	40	Rio Tinto	Canada	China	xxx	yes	40%
2222	60	De Beers	DTC Aggregate	China	xxx	Yes	60%
Total Carats: 100 Cts							
Total Percentage						100%	

***Must fill**

Date: _____ Signature and Company Stamp: _____



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Appendix 5: Color stone: Supplier Origin Declaration Form

Suppliers Declaration Form

ใบรับรองการรับประกันอัญมณีจากผู้ขาย

Date:

Memo Number:

I, the undersigned,as the legal representative of the (first name and last name)

ในฐานะผู้มีอำนาจผูกพันบริษัท Company.....

ชื่อบริษัท ที่อยู่ เลขที่ทะเบียนนิติบุคคล (details about the company: complete name, address, company registration number).....

Hereby certify that the color stones, mentioned in the above referenced invoice:

ขอรับรองว่า อัญมณีที่กล่าวถึงในใบอินวอยซ์ที่อ้างถึงข้างต้น:

The color stones herein invoiced have been purchased from legitimate sources not involved in the financing of conflict(s), in compliance with United Nations Resolutions and applicable national laws. Adherence to the OECD Due Diligence Guidance for Responsible Supply Chains is also confirmed.

To the best of our knowledge, the color stones herein invoiced do not originate from Myanmar, Zimbabwe, Russia, Afghanistan or Democratic Republic of Congo. Similar written commitments have been obtained from our supplier(s).

We hereby guarantee that all the gemstones herein invoiced are 100% natural origin, are of the gem species agreed upon/ordered, and do not include any synthetic gemstones or gemstone imitation or simulants.

The colored gemstones may have undergone treatments in line with approved practices. The use of colorless oils and heating are recognized as traditional lapidary practices to enhance certain colored gemstones, along with the bleaching of pearls. Our gemstones may have been subject to these common enhancement practices.

- Are origin from มีถิ่นกำเนิดจากประเทศ

Gemstone Name	Assortment	Carats	Origin from	Cutting Location

This guaranteed certificate is issued to serve the purpose it might be required.

.....

Signature of the legal representative + Company stamp

ลงชื่อผู้มีอำนาจลงนาม และประทับตรา

Appendix 6: Supplier Origin Warranties Statements

Diamonds:



RESPONSIBLE
JEWELLERY
COUNCIL



WORLD
DIAMOND
COUNCIL



SIGHTHOLDER
DE BEERS GROUP

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The diamonds in this invoice/delivery note have been purchased from legitimate sources not involved in funding conflict, in compliance with United Nations Resolutions and corresponding national laws. Suppliers name hereby guarantees that these diamonds are conflict-free and confirms adherence to the World Diamond Council System of Warranties Guidelines.

Suppliers name declares that the diamonds mentioned herein are not of Russian Federation origin, were not exported from the Russian Federation, did not transit through the Russian Federation, or are exempted. The diamonds over 0.5 carats mentioned herein were not mined, extracted, produced, or manufactured wholly or in part in the Russian Federation, notwithstanding whether such diamonds have been substantially transformed into other products outside of the Russian Federation, or are exempted. Proof of such exemption is attached for exempted diamonds**.

Based on documented evidence and/or written declarations from its suppliers, Suppliers name declares that the herein diamonds comply with the origin restrictions outlined in the latest version of NIRU Group's Product Integrity requirements for Supplier Shipments Guidelines.

The diamonds mentioned in this invoice/delivery note are exclusively of natural origin and untreated, based on personal knowledge and/or a written guarantee provided by the supplier of these diamonds.

To assure the natural origin and that the diamonds have not been treated, 100% of the GIA certified diamonds have been verified by the GIA according to these two criteria. To assure the natural origin, 100% of the white non-GIA certified diamonds have been verified by our exclusive supplier, according to these criteria. To assure the natural origin and that the diamonds have not been treated, 100% of the fancy color non-GIA certified diamonds have been verified by our exclusive supplier, according to these two criteria.

Color stones:

The color stones herein invoiced have been purchased from legitimate sources not involved in the financing of conflict(s), in compliance with United Nations Resolutions and applicable national laws. Adherence to the OECD Due Diligence Guidance for Responsible Supply Chains is also confirmed.

To the best of our knowledge, the color stones herein invoiced do not originate from Myanmar, Zimbabwe, Russia, Afghanistan or Democratic Republic of Congo . Similar written commitments have been obtained from our supplier(s).

We hereby guarantee that all the gemstones herein invoiced are 100% natural origin, are of the gem species agreed upon/ordered, and do not include any synthetic gemstones or gemstone imitation or simulants.

The colored gemstones may have undergone treatments in line with approved practices. The use of colorless oils and heating are recognized as traditional lapidary practices to enhance certain colored gemstones, along with the bleaching of pearls. Our gemstones may have been subject to these common enhancement practices.

Appendix 7: Supplier Visit Log

Date of Visit	Supplier Name	Niru Representatives	Niru Representatives Position	Supplier Entity Address	Activity of entity
1/1/2024	Supplier X	Amir Amiel	Managing Director Niru Gems Bangkok	Bangkok	Manufacturing Center Color Stones



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Appendix 8: Supplier Audit Checklist Form : Color Gemstones

1. COMPANY INFORMATION

Name of company:

Registered address:

Country:

Phone number:

Contact Person :

Email address:

1. Type of business activity (tick all that apply):

- Rough / Polished trader
- Polisher / Manufacturer
- Jewelry Manufacturer
- Retailer
- Miner
- Other (specify): _____

Date of Incorporation:

Business -registration number

Please attach a copy of Incorporation/Business registration

Name of promoters / directors: _____

Please attach: ID copy of principal executive officer (certified copy)

Are you affiliated to/part of a group company? Yes No

Certification

- RJC Code of Practices (COP) – certified date: _____
- RJC Chain of Custody (COC) certified date: _____:
- De Beers Best Practice Principles (BPP) – certified date: _____
- Other Certification (SA 8000, ISO 14001...), please specify:

What is your position in the supply chain?

- Upstream Exploration, mining companies, ASM, (rough exporters (first export)
- Midstream trader (rough and polished), cutting and polishing
 - tier 1 (Sourcing directly from exploration, mining companies and/or ASM)

Long-term contracts

- One-off contracts
- Downstream Exploration (distributor / manufacturer / wholesaler / retailer)

2. Quality Management System



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Are you planning to engage in the certification process?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does your company hold any other certifications?	Yes <input type="checkbox"/> No <input type="checkbox"/> Please specify:
Are you planning to engage in the Quality Management System (QMS) in the coming 2 years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are you planning to engage quality objectives defined and monitored?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you check product/service quality yourself before delivery?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you plan small improvements to product/service quality each year?	Yes <input type="checkbox"/> No <input type="checkbox"/>

3. Environmental Management

Do you have a simple environmental goal for your business? (e.g., "reduce waste," "save energy")	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you actively try to reduce your business's environmental impact? (e.g., saving electricity, reducing packaging)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do you manage your business waste responsibly? (e.g., separating waste for recycling)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are you aware of your basic environmental responsibilities for this type of business?	Yes <input type="checkbox"/> No <input type="checkbox"/>

4. Traceability & Transparency

How do you record the origin of your gemstones? (e.g., write on the invoice, keep a logbook, use a spreadsheet?)	Yes <input type="checkbox"/> No <input type="checkbox"/> please specify :
Do you keep all original purchase invoices for the stones you buy?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If we ask about a specific stone you sold to Niru, can you find the original invoice to show where you bought it from?	Yes <input type="checkbox"/> No <input type="checkbox"/>
When you buy, do you ask your supplier for the stone's origin (country or mine) and note it down?	Yes <input type="checkbox"/> No <input type="checkbox"/>

5. Responsible Sourcing & Due Diligence

Do you have a personal commitment to only sources from suppliers you trust to be ethical and conflict-free?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Can the supplier confirm that materials do not originate from Myanmar, Zimbabwe, Russia, Afghanistan or Democratic Republic of Congo?	Yes <input type="checkbox"/> No <input type="checkbox"/>



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6. Corrective Actions & Continuous Improvement

Is there a process for handling complaints and non-conformities?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are root causes analyzed and preventive actions implemented?	Yes <input type="checkbox"/> No <input type="checkbox"/>

7. Declaration & Signature

Name:
Position:
Signature:
Date:

8. Audit Summary & Auditor's Signature

Audit conducted by (Name)
Position:
Date of audit:
Signature:



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Appendix 9: Supplier Management Internal Audit

#	Process	Topic	Evaluation Method	To review	Findings	Demonstration/evidence	Conclusions
1	Sourcing Performance (KPIs)	Gemstones (diamond/color stone) Rough Purchase Total Quantity	Output relevant data from ERP system and mention quantities for the required question	Units (diamonds cts, color stones pcs) Purchased			
		Gemstones (diamond/color stone) Rough Purchase Total Quantity from RJC Suppliers		Units (diamonds cts, color stones pcs) Purchased			
		Gemstones (diamond/color stone) Rough Purchase Total Quantity through Mining Companies		Units (diamonds cts, color stones pcs) Purchased			
		Gemstones (diamond/color stone) Polish Sourcing (Key Suppliers) Total quantity		Units (diamonds cts, color stones pcs) Purchased			
		Gemstones (diamond/color stone) Polish Sourcing (Key Suppliers) Total quantity from RJC Suppliers (Export & RJC Facilities compliant)		Units (diamonds cts, color stones pcs) Purchased			
		Precious metals procurement quantity		Grams of gold			
		Precious metals procurement quantity from RJC COC suppliers		Grams of gold			
2	Supplier Selection and Evaluation	Initial Background tests	<u>Random Supplier Selection</u> Check in 3 suppliers file the existence of the following:	Check of company website background -Check the company was not found on "World Bank Website" and not Blacklisted on OFAC			
		Supplier Registration Process	<u>Random Supplier Selection</u> - Review Emails sent to 3 new suppliers to ensure all required forms were attached.	Review emails sent to new suppliers as required in 8.4 Supplier Management Policies and Procedures			
				incorporation certificate/commercial register extract -identification documents-Licenses requested			
				Supplier Code of conduct attached			
				Due diligence form attached			
				Supplier Operations and location Mapping Form (Relevant for Key Brand Suppliers) attached			
				Ethical chart (OECD guidance-commitment to 5 due diligence steps) attached			
				Transparency & traceability of subcontractor partners with documentation required relevant for CoC precious material			
				Code of Conduct signed			
				Due diligence Form signed			
3	Supplier Ongoing Monitoring and Collaboration	Yearly Updates on Supplier Status	<u>Random Supplier Selection</u> - Review Documentation and Record-Keeping - Confirm that all documents are properly stored and easily retrievable in the system- Check for discrepancies, expired documents, or missing information.	Review emails sent to suppliers for re-assessment as required in 11.11 Supplier Management Policies and Procedures			
				Due Diligence Form attached - Renewal of document and certification requested-General Confirmation of any change requested			
				Review emails received from suppliers for yearly update as per Policies and Procedures			
				Due diligence Form: Submission of the Form or confirmation that records are up-to-date.			
				Certifications: Renew and submit updated version Company Details, operations, activity and document: confirmation that changes exist and submit			
4	Supplier Grievance mechanism	Supply Chain due Diligence		Review of any grievances received and how you handled them (remediation actions) as per 14. Supplier Management Policies and Procedures			



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Appendix 10 : Supplier Grievance Report

Supplier Grievance Report

Report Information:

Report ID: [Unique Identifier]	
Date of Submission: [Date]	
Submitted by: [Name/Position of Person Submitting Report]	
Supplier Name: [Supplier Name]	
Nature of Grievance: [Brief Description of the Grievance]	

Grievance Details

Grievance Background	Date of Grievance: [Date of Supplier Grievance Submission]	
	Description of Grievance: [Detailed Description of the Grievance and the Circumstances Surrounding It]	
	Impact on Operations: [Assessment of the Impact on Operations or Deliverables]	
Investigation and Analysis	Investigating Party: [Name/Position of Investigating Team]	
	Investigation Period: [Start Date - End Date]	
	Root Cause Analysis: [Summary of Root Cause Analysis Findings]	
	Findings: [Summary of Investigation Findings]	
Resolution and Corrective Actions	Resolution Plan: [Detailed Plan for Addressing and Resolving the Grievance]	
	Corrective Actions: [List of Corrective Actions to Prevent Recurrence]	
	Implementation Timeline: [Timeline for Implementing Resolution and Corrective Actions]	
Communication	Communication with Supplier: [Summary of Communication with the Supplier During the Resolution Process]	
	Updates: [Frequency and Method of Providing Updates to the Supplier]	
Follow-Up and Monitoring	Post-Resolution Evaluation: [Summary of Evaluation of the Resolution and Corrective Actions]	
	Monitoring Mechanism: [Details of Ongoing Monitoring to Track Supplier Satisfaction and Prevent Recurrence]	
Documentation and Records	Records Kept: [Documentation and Records Maintained for the Grievance Process]	
	Confidentiality: [Details Regarding Confidentiality Measures]	



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Continuous Improvement	Feedback Mechanism: [Summary of Supplier Feedback on the Grievance Process]	
	Process Review: [Summary of Any Identified Areas for Improvement]	
Conclusion	Closure of Grievance: [Confirmation of Grievance Closure]	
	Documentation of Lessons Learned: [Documentation of Lessons Learned for Continuous Improvement.]	



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