



The Policy promote the standards that we expect all of our suppliers to comply with when producing and supplying Diamonds to Ruma Hong Kong Ltd., no matter where they operate in the world.

The senior management of Ruma Hong Kong Ltd. advocate this policy and we shall review as and when changes in the process or compliance requirement or any violation of sourcing policy or Changes in risk and due diligence criteria. We shall carry out review of this entire document at least annually.

We recognise that full compliance with these criteria may take time for some suppliers, and we are committed to working with our suppliers to implement improvement plans and help them achieve compliance.

Ruma Hong Kong Ltd. is committed to working in partnership with its suppliers to help achieve compliance with this Policy.

All the supplier should comply with national and international law and trade requirement like RJC/BPP with respect to Bribery and Corruption, Financial Offence, Labour Rights, Kimberley process and World Diamond Council – SoW, Product disclosure, Labour Rights, Working Condition, Child labour, Forced labour, Human rights, Discrimination, Fair wages and working hours, Environment compliance, Health and safety of the employees and visitor.

Policy – Supply Chain and Ethical Sourcing

At Ruma Hong Kong Ltd., we take Ethical business practice, social and environmental factors into consideration in making decisions on the procurement of Rough or polish diamonds.

This Policy shows Ruma’s commitment and its expectations for its product suppliers regarding actions to address Conflict Diamonds.

Ruma Hong Kong Ltd. expects it's suppliers to have in place policies and due diligence measures that will enable us to reasonably assure that diamonds/colour gemstone/jewellery supplied to us containing **conflict free diamonds** are not belongs to Conflict-affected and high-risk areas – CAHRAs .

We being a responsible company, Ruma Hong Kong Ltd. supports the goal of the Dodd-Frank Act of preventing armed groups in the conflict affected and high risk countries from benefitting from the sourcing of Conflict diamonds from that region.

Ruma Hong Kong Ltd. is committed to working with its suppliers to educate them on these matters and concerning steps they can take to obtain increased transparency regarding the origin of diamonds mined or manufacture and sell to Ruma Hong Kong Ltd.

Ruma Hong Kong Ltd. reserves the right to evaluate the extent to which a supplier has failed to reasonably comply with this Policy.

Ruma Hong Kong Ltd. reserves the right to request additional documentation from its suppliers regarding the origin/source of diamonds sold to Ruma Hong Kong Ltd.

Suppliers who do not reasonably comply with this Policy shall be reviewed by Ruma Hong Kong Ltd. ’s for future business.



Ruma Hong Kong Ltd. is committed to ensuring that our supply chain is free of any diamonds which was procured for the support or benefit of armed and anti-social conflict groups or involving serious abuses of human rights and non-compliant with OECD Guidelines.

Ruma Hong Kong Ltd. clearly criticizes such activity and will reject any material which we believe was obtained involving serious human rights violations or which benefitted or supported armed rebels or terrorist groups through illegal finance or other activities.

The company shall carry out risk assessment for its supply chain and shall not enter into any business relationship or if may require then shall suspend/discontinue the engagement with any such supplier involved in dealing with Conflict-Affected and High-Risk areas, Any form of Human Right Violation; Torture, Cruel, In-Human and Degrading Treatment; Forced/Compulsory Labour; Child Labour; Abuses such as widespread Sexual Violence; War Crimes; other serious violations of International Humanitarian Law, Crime against Humanity; Genocide and/or To Bribe or To be Bribed. We strictly condemn and prohibit any Direct/Indirect support to public/private security forces which illegally Control, Tax or Extort money from Mining Sites, Transportation Routes and Upstream Sectors.

The Company shall carry out due diligence to assess risks related to procurement from the Conflict-affected and high-risk areas – CAHRAs and shall always source from compliant miners/traders.

We shall always set reasonable efforts to source Diamonds from miners and traders validated as being Conflict Free and require their direct and indirect suppliers to do the same;

We strive to work supportively with our customers and supply chain partners in implementing conflict free compliance programs for Diamond Supply chain.

Policy – Due Diligence and Risk Assessment

The company shall always undertake to ensure that the extraction and trade of diamond support peace and development, not conflict.

Ruma Hong Kong Ltd. remains committed to enhance its Supply Chain Due Diligence program through internal review and external assessments. We have zero tolerance policy for the supplier violating OECD due diligence guideline and we shall immediately stop commercial relationship if any of our business associates found non-compliant or High-Risk during our internal/external risk assessment.

All the suppliers are also requested to carry our risk assessment and due diligence for their suppliers and products they are sourcing.

Currently Ruma Hong Kong Ltd. procure it's diamonds from RJC CoP/Ethical business practice compliant miners/traders. However, we have established a strong due diligence process and we shall review it as an when we observed significant risk or upon receipt of any grievance or complaint but in normal course, we shall carry our due diligence process on annual basis.

Grievance Mechanism

Our employees, suppliers and other parties can report concerns and alleged violations of supply chain/sourcing/due diligence policy as follows:

Email: contact@rumadiamonds.com Call: +852 60604702



Reports can be made anonymously and will be kept confidential to the fullest extent practicable and allowed by law.

We will not take any retaliatory action against our employees, suppliers, or other parties who make a report in good faith.

Our suppliers are encouraged to contact contact@rumadiamonds.com if they wish to seek guidance on the application of this Policy.

Date: 18/01/2022

Supplier Risk Assessment /Due Diligence Report

We the senior management of Ruma Hong Kong Ltd. and compliance officer has verified all our supplier with respect to following ;

1. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
2. US OFAC Sanctions
3. EU Sanctions
4. Global Peace Index
5. Know Your Country
6. Transparency International (TI)
7. The Office of the United Nations High Commissioner for Human Rights (OHCHR)

<http://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/conflict-affected-and-high-risk-areas/>

Publication (Detailed report is with Compliance team and may produce to concerned parties upon request)

Compliance team of Ruma Hong Kong Ltd. has completed the due diligence and Risk assessment of all its Diamond supplier with respect to latest RJC guideline and we found all our supplier are complying with requirements not found any risk pertaining to their business involvement in Conflict Affected and high risk Areas' (CAHR's).

Date: 18/01/2022



Internal Audit report – RJC Audit and compliance with Code of Practice /Money laundering/Monitoring Transaction/Kimberly Process and System of Warranties/Ethical Standard Commitment/Product Security

To,
Management
Ruma Hong Kong Ltd.

Dear Sir,

Subject: Internal audit report for the **RJC Compliance -2021**

RJC Compliance: The company has carried our ethical business practice and carried out policy and procedure review with respect to it's implementation. The company has complied with latest RJC Code of Practice and all its requirement

Financial Compliance – Compliance officer has checked all documents related to AML & CFT for the 2021. No discrepancies have been found during the course of audit. The Company has complied with applicable regulations, policy, systems & procedures with respect to AML/CFT. All invoices, expense vouchers, bank statements, bank book and cash ledger have been verified with respect to financial transactions taken place during the quarter and no suspicious transaction was detected involving money laundering, terrorism of financing, bribery, facilitation payment and inappropriate gift. The company has complied with the OECD requirement and not sourced any Minerals or metals from Conflict Affected and High Risk Areas.

WDC-SOW--I have examined the relevant documents maintained in respect of purchase and sale of diamond during the quarter and conform that all the invoices contain WDC/SOW declarations as applicable. No discrepancies were found on reconciliation of “warranty in” and “warranty Out”.

Ethical Standard/Commitment-- No practice or conduct observed during the assessment period that brings the diamond industry into disrepute. All businesses practices have adhered to national laws and applicable rules and regulation during the assessment period..

Product Security—There were no breach of Product security pertaining to product theft, damage or substitution during shipment/within premises.

Provenance claim—The company has set the policies and procedure and strictly compliance software based stock control system along with supplier due diligence procedure to ensure compliance pertaining to Provenance claim during assessment period.

This report has been issued to the management in line with requirements of company's policy, systems and procedures.

Prepared by

Compliance Officer

Date : **18/01/2022**