



Policy on Sourcing From Conflict-Affected and High Risk Areas



Policy title:	SOURCING FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS
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Issue date:	January 2020	Date policy is to be reviewed:	Annually in January of each calendar year
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Version:	0.1	Issued by:	Yosi Glick
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Scope:	All personnel in all Entities in the Yosi Glick Group
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Associated documentation:	<ul style="list-style-type: none"> • Policy on Responsible Business Practices • Policy on WDC Warrantees • Disclosure of all Material Information Policy
Appendices:	OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
Approved by:	Yosi Glick
Date:	

Review and consultation process:	Consultation with relevant heads of departments and office managers. Review on annual basis.		
Responsibility Implementation & Training:	Purchasing managers and Office managers		
	Office	Manager	
	Yosi Glick	Shai Glick	
	Tov Diamonds	Aron Hoffman	

Revisions:	[Enter details of revisions below]	
Date:	Author:	Description:

Distribution	via email attachment to all personnel
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1. Introduction

The Company has a strict policy of prohibiting purchase of diamonds from Conflict Affected and High-Risk areas. Purchases may only be made from companies on a register of pre-approved suppliers. Yosi Glick will conduct a comprehensive KYC process on all suppliers prior to adding them to the register.

2. Aim and Scope of this policy

- The aims of this policy are to set out the rules governing the procurement of Rough Diamonds.
- The policy applies to all entities in the Yosi Glick Group and all personnel acting on behalf of Yosi Glick:

3. Responsibilities

- Ultimate responsibility for ensuring the implementation of the policy shall be Shai Glick, the procurement manager.
- The office manager in each facility of the Group is responsible for ensuring the adherence to this policy.
- Every Rough buyer is also personally responsible for maintaining this Policy.
- The Policy and the Supply Register shall be reviewed by the BPP manager at least bi-annually.
- Office Managers are responsible for ensuring that their permanent staff, temporary staff and contractors are aware of:-
 - o The policy as applicable in their work areas
 - o Their personal responsibilities for insuring the adherence the policy
 - o How to report any suspected breach of the policy.

4. Legislation

- Whilst there is no specific legislation pertaining to this policy, the following documentation will be complied with.
 - OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
 - WDC System of Warrantees

5. Rules governing the procurement of Rough Diamonds.

Aims of the Policy

- The aim of the policy is to ensure that all purchases of Rough diamonds follow the OECD guidance.
- No diamonds are procured from areas of conflict-affected or high risk.

Supply Register

- The Group will retain a register of approved suppliers.
- Rough diamonds may only be purchased from suppliers on the register.
- A KYC process will be conducted on any supplier prior to being added to the register.
- Any supplier suspected of sourcing rough not in compliance with the OECD guidance is automatically barred from becoming an approved supplier.
- Prior to any purchase, the procurement manager is responsible for ensuring the supplier is on the current register of approved suppliers.

Know Your Client (KYC)

- A Know Your Client (KYC) will be conducted on all suppliers to include the following information:
 - The origin of stones, with the greatest possible specificity. This information can be provided in aggregated form (e.g. a list of all mines, companies, regions or geographical locations that material come from).
 - Where available, evidence that immediate suppliers have carried out due diligence based on an approach that is aligned with the OECD Guidance.

6. Response

Suspected incidents

- Any policy breach shall be reported directly to Mr.Yosi Glick +972 3 5753598.
- Incidents shall be recorded in an Incident Log and investigated by Yosi Glick to establish their cause with a view to avoiding similar events. The risk assessment and this policy shall be updated if required to reduce the risk of a similar incident re-occurring.
- If required, as a result of an incident, the purchase will be cancelled, and goods returned. This decision shall be made by Yosi Glick.
- No disciplinary action will be taken against any personnel who report

a suspected breach of this policy, regardless of whether or not the complaint is substantiated on investigation

Reporting

- The Office Managers shall keep the business informed of the compliance status of the organisation by means of regular reports to Mr.Yosi Glick.

Policy approved by: Yosi Glick

Signature

YOSI GLICK DIAMONDS (2003) LTD
Reg No 512-422-485



Date January 2021