

# Rachminov Diamonds 1891

## Responsible Business Code of Conduct

Rachminov Diamonds 1891 (hereinafter “Rachminov”) was established in Israel in 1981 as an expert source for top quality colored diamonds involved in buying, selling, sorting, planning, cutting and polishing of diamonds. For over 100 years, Rachminov has offered melee goods and certified center stones from 0.70 carat up to exceptionally large sizes, in a wide range of fancy lights to vivid yellows, including natural fancy pinks and blues in all shades and sizes. Headquartered in Tel Aviv, Israel, Rachminov operates to the highest standards of responsible and ethical business.

### **The Purpose of this Code of Conduct**

This Code of Conduct binds Rachminov, its directors, executives, staff and all business partners to our principles and practices of responsible business conduct, without exception. Its purpose is to ensure that all those involved in or affected by our business are aware of our practices and understand what can be expected of our business and our staff.

### **Upholding the Law**

We uphold all regulations and applicable legislation in all aspects of our business wherever we operate. We ensure we are aware of changes in legislation through our legal service providers and the industry associations in which we participate. We make all necessary provisions and operational changes in order to ensure we are fully compliant at all times.

### **Aligning and Promoting Responsible Industry Practice**

We are members of the Responsible Jewellery Council (RJC). The RJC is a global standard-setting member organization with a mission to advance responsible ethical, social and environmental practices, which respect human rights, throughout the diamond and gold jewellery supply chain, from mine to retail. RJC has published a Code of Practice, to which Rachminov subscribes, and maintains standards of responsible practice which are binding for members that voluntarily undergo an audit and certification process of business practices. Our membership of RJC both obliges us to actively maintain responsible supply practices and also confirms our support for minimum acceptable industry standards of practice so that the entire global market will operate responsibly and transparently. We are also a member of the Israel Diamond Exchange, which determines the rules and protocols for the Israeli diamond trade and we conform to all relevant policies and guidance.

### **Supporting Human Rights in our Supply Chain**

The Kimberley Process is a joint government, international diamond industry and civil society initiative that aims to prevent conflict diamonds. Conflict diamonds is a term for rough diamonds that are used by rebel movements to finance wars against legitimate governments ([www.kimberleyprocess.com](http://www.kimberleyprocess.com)). Rachminov sources only diamonds that have been mined in accordance with The Kimberley Process Certification Scheme (KPCS) and comply with The World Diamond Council System of Warranties (SoW). In this way, we ensure that none of our operations are associated with the flow of conflict diamonds and support positive human rights throughout our supply chain.

In our own operations, we respect and protect human rights by maintaining a work environment that is free from discrimination, harassment, intimidation and inequality. We respect International Labor Conventions and do not employ children or forced labor. We comply with labor laws and

regulations and compensate our employees both legally and fairly for their contribution. We value the safety of our employees and ensure our working environment is protected from safety risks. Our employment approach is one of equal opportunity, where all individuals may apply, join and develop in our business according to their performance and contribution. Where appropriate, we invest in the training and professional development of our employees.

### **Standing against Corruption and Bribery in all our Business Activities**

We operate transparently in all our dealings and never engage in any form of bribery in any of our business dealings, anywhere. We prohibit any kind of involvement or support for corruption in the form of bribes, facilitation payments or unofficial business dealings that are not supported by law. In the event that any of our staff are found to be complicit in such behavior, their employment is terminated with immediate effect. We comply with anti-corruption laws and regulations including the Foreign Corrupt Practices Act and the British Bribery and Corruption Act as far as they are applicable to our operations. We ensure auditable documentation of all our financial dealings and transactions and maintain financial accounts in line with the law. Similarly, we maintain a very strict database of our inventories and which is regularly audited. We take a precautionary approach through applying due diligence to ensure that none of our dealings result in any form of breach of laws or regulation concerning financing of terrorism, money laundering or unethical use of funds.

### **Anti-Money Laundering**

We ensure that none of our activities are or could be associated with money laundering or inappropriate transfer of funds. In general, we trade with large, reputable firms that deal in high-end merchandise and not with wholesalers, sole traders or very small companies. All our customers are known customers, many of whom we have traded with for several years. All financial transactions are highly regulated and conducted through nominated banks with authorized known business partners. We do not transfer money to different accounts without prior confirmation by authorized parties.

### **Respecting the Environment**

As a small business, our direct impact on the environment is low. It includes consumption of small amounts of electricity and water through our office operations, and low levels of fuel consumption for travel and product shipments. Nonetheless, we respect global efforts to mitigate climate change and protect the planet, and we therefore strive to minimize our impact on the environment wherever possible.

### **Risk Management**

We periodically assess the risks in our business in all areas covered by this Code of Conduct and take actions accordingly to mitigate identified risks.

### **Communication of this Code of Conduct**

This Code is publicly available on our website, [www.fancycolor.com](http://www.fancycolor.com), and is communicated to all our staff when they join the company. All staff sign their confirmation of understanding and agreement to behave in line with the Code. Our suppliers and business partners are provided with a copy of this Code of Conduct when entering into business activity with Rachminov. We encourage all our suppliers and partners to ensure their practices are aligned with this Code of Conduct.

### **Reporting of Breaches of this Code of Conduct**

Should any person suspect that we are in breach of this code of Conduct, we invite them to lodge a complaint with the Responsible Jewellery Council in writing on the RJC Complaints Form, available

on the [RJC website](#). Initial inquiries can be made to seek guidance on the submission of a complaint by telephone (+44 (0)20 7321 0992) or by email ([complaints@responsiblejewellery.com](mailto:complaints@responsiblejewellery.com)).

This Code was approved by the Board of Directors of Rachminov in September 2020 and will be updated periodically as required. This is Version 2.

Signed:

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Eden Rachminov, Founder, CEO and Chairman of the Board of Directors  
Tel Aviv, September 9, 2020