ACPL EXPORTS PVT. LTD.

ETHICAL BUSINESS POLICY & STANDARD OPERATING PROCEDURE

RJC COP 2024 – Silver Jewellery Process Manufacturing

Document No.	Version	Effective Date	Approved By
ACPL-RJC-POL-SOP-001	1.0	02/01/2025	Managing Director

Controlled Document – Uncontrolled when printed

1. Purpose

This Ethical Business Policy & SOP establishes the principles, responsibilities and controls ACPL Exports Pvt. Ltd. shall use to conduct business honestly, transparently and responsibly. It is designed for ACPL's silver jewellery manufacturing operations and supports implementation of the Responsible Jewellery Council (RJC) Code of Practices 2024, particularly COP 1, COP 2, COP 5–7, COP 11–14, COP 18 and COP 22–23.

2. Policy Statement

ACPL Exports Pvt. Ltd. has zero tolerance for corruption, bribery, fraud, extortion, facilitation payments where prohibited, retaliation against good-faith reporting, and other unethical business conduct. All directors, managers, employees, contract workers, agents and relevant business partners shall act with integrity and comply with applicable laws, contractual requirements and this Policy.

- Business decisions shall be based on legitimate commercial, quality, compliance and performance considerations.
- No person may offer, promise, authorise, request or accept a bribe or improper advantage.
- Workers who refuse bribery or report concerns in good faith shall not be penalised or retaliated against.
- Gifts and hospitality shall be reasonable, transparent, infrequent and never intended to influence a business decision.
- Business records, invoices, expenses and payments shall be accurate, complete and supported by appropriate evidence.
- Suppliers, agents and other significant business partners shall be subject to proportionate due diligence.
- Suspected misconduct shall be reported, assessed, investigated and, where substantiated, addressed through corrective or disciplinary action.

3. Scope

This Policy and SOP applies to the company's directors, management, employees, trainees, contract workers, security personnel, agents and other persons acting on behalf of ACPL, as well as relevant suppliers and business partners.

4. RJC COP 2024 Basis

The RJC COP 2024 requires members under COP 11 to establish and publicly disclose policies and procedures prohibiting corruption and bribery, protecting workers who raise concerns or refuse bribery/facilitation payments, and setting criteria and approval procedures for gifts. It also requires systems for bribery-risk identification, training, gift recording, whistle-blowing, investigation and sanctions. Where facilitation payments are legally allowed, RJC COP 11.3 requires controls to eliminate/reduce them, limit their nature and scope, account for them and disclose payments to public/government officials annually.

The same RJC standard also requires responsible business-partner practices, human-rights commitments and responsible supply-chain due diligence. RJC COP 12 requires documented KYC procedures for relevant counterparties and business partners.

5. Definitions

Term	Definition
Bribery	Offering, promising, giving, requesting or accepting an improper benefit to influence a business or official decision.
Facilitation Payment	An unofficial payment intended to secure or speed up a routine action. Its treatment shall follow applicable law and this Policy.
Conflict of Interest	A situation where personal, family, financial or other interests could improperly influence business decisions.
Gift / Hospitality	Anything of value offered or received in connection with a business relationship, including meals, entertainment or merchandise.
Whistle-blowing	Raising a good-faith concern about suspected unethical, illegal or prohibited conduct.
Business Partner	A supplier, customer, agent, contractor, service provider or other relevant counterparty with whom ACPL conducts business.

6. Responsibilities

Role	Key Responsibilities
Managing Director / Top Management	Approve policy; provide resources; review major cases and risks; ensure non-retaliation.
RJC Compliance Manager	Maintain policy/SOP; risk assessment; training; registers; investigations; reporting; corrective actions.
Finance	Payment controls; supporting documents; segregation of duties; accounting integrity; transaction monitoring.
Procurement	Supplier due diligence; conflict checks; purchase controls; gift/benefit declarations.
HR/Admin	Employee communication, induction, disciplinary process and confidential grievance/whistle-blowing support.
Department Heads	Implement controls; identify high-risk activities; escalate concerns.
All Workers	Follow policy; refuse improper payments; disclose conflicts; report suspected misconduct.
Agents/Business Partners	Comply with applicable contractual ethical requirements and provide requested due-diligence information.

7. Ethical Business SOP

7.1 Risk Identification

- The RJC Compliance Manager shall conduct an ethical-business risk assessment at least annually and when significant changes occur.
- High-risk areas shall include procurement, customs/logistics interactions, government inspections/licensing, sales agents, cash-like transactions, gifts/hospitality, recruitment intermediaries and high-value supplier/customer relationships.
- Controls shall be strengthened where risk is elevated.

7.2 Supplier and Business Partner Due Diligence

- Obtain legal name, address, registration details, contact details and relevant ownership/principal information.
- Verify the legitimacy of the counterparty using appropriate documents and checks.
- Where relevant, check sanctions/prohibited-party information and assess risks of money laundering, fraud, terrorism financing and serious human-rights abuse.
- Require acknowledgement of ACPL's ethical requirements where appropriate.
- Document approval before placing material or service orders with new high-risk counterparties.
- Review higher-risk counterparties periodically and at least annually.

7.3 Bribery Prohibition

- No worker may offer, promise, give, request or accept an improper payment, commission, kickback, favour or other advantage.
- Payments to obtain an unfair commercial advantage, influence an inspection, avoid a legal requirement or improperly secure business are prohibited.
- No employee may use a third party to do something that the employee is prohibited from doing directly.
- False invoices, sham consultancy arrangements or disguised payments shall not be used.

7.4 Facilitation Payments

ACPL prohibits facilitation payments except where a payment is expressly required by applicable law and is processed through a controlled, documented and accountable mechanism. Any request for an improper payment shall be refused where safe and practicable and immediately reported to the RJC Compliance Manager. No worker shall suffer retaliation for refusing a prohibited payment in good faith.

- Do not make unofficial cash payments to speed up routine government or commercial services.
- If an exceptional legally permitted payment occurs, record the amount, date, recipient, purpose, authority/legal basis and approval.
- Finance shall ensure complete accounting and supporting documentation.
- The Compliance Manager shall review such payments and seek to eliminate or reduce them over time.

7.5 Gifts and Hospitality

ACPL adopts the following internal control limits:

Item	Control
Cash / cash equivalent	Prohibited as a business gift.
Government officials	No gifts, hospitality or benefits intended to influence an official act; any legally permitted item requires prior written approval.
Suppliers / customers	Only modest, infrequent and legitimate business hospitality/gifts that cannot reasonably be viewed as an inducement.
Employee acceptance	Declare gifts/hospitality that exceed the company's nominal threshold or could create a perceived conflict.
Approval threshold	Gifts/hospitality above INR 2,000 per person or repeated benefits shall require written approval and entry in the Gift Register.
Prohibited timing	No gifts or hospitality during tenders, supplier selection, contract awards, audits, inspections or disputes where it could influence a decision.

The INR 2,000 threshold is an ACPL internal control and shall be revised if management adopts a stricter customer, legal or certification requirement.

7.6 Conflict of Interest

- Employees involved in procurement, sales, hiring, inspection, payment approval or supplier/customer selection shall disclose relevant personal or financial interests.
- Employees shall not participate in decisions where they have an undisclosed conflict.
- Potential conflicts shall be recorded and reviewed by the department head/Compliance Manager.
- Management shall determine mitigation such as reassignment, independent approval or enhanced review.

7.7 Accurate Books and Records

- All payments and receipts shall be recorded accurately and promptly.
- No undisclosed, off-book, fictitious or improperly described account may be maintained.
- Supporting invoices, approvals, contracts and payment evidence shall be retained according to applicable legal/company retention requirements.
- Finance shall maintain segregation of duties for initiation, approval and payment where practicable.

7.8 Reporting / Whistle-blowing

- Concerns may be raised verbally or in writing to the RJC Compliance Manager, HR, Department Head or Top Management.
- Anonymous reporting may be accepted where practicable.
- Reports shall be handled confidentially to the extent reasonably possible.
- No worker shall be penalised, threatened or discriminated against for making a good-faith report or refusing prohibited bribery/facilitation payments.
- Deliberately false allegations made in bad faith may be addressed under the disciplinary procedure.

7.9 Investigation Procedure

Step	Required Action	Responsible
1. Receive	Record complaint/alert and preserve relevant evidence.	Compliance / HR
2. Screen	Assess seriousness, conflicts and immediate risks.	Compliance Manager
3. Protect	Apply confidentiality and non-retaliation measures.	Management / HR
4. Investigate	Interview relevant persons, review records and obtain evidence.	Assigned investigator
5. Decide	Determine findings based on available evidence and applicable rules.	Management
6. Correct	Apply corrective action, recovery, control improvement or discipline as appropriate.	Management / HR
7. Close	Document outcome and verify actions are completed.	Compliance Manager

7.10 Disciplinary and Corrective Action

- Confirmed bribery, attempted bribery, fraud, deliberate falsification, retaliation or serious policy violations may result in disciplinary action up to termination, subject to applicable law and company procedure.
- Business partners may be suspended, rejected, placed under enhanced monitoring or have contracts terminated where justified.
- Corrective actions shall address both the incident and the underlying control weakness.

8. Training

- All relevant workers shall receive ethical-business awareness training at induction and periodically thereafter.

- Personnel in procurement, finance, sales, security, logistics, management and other higher-risk roles shall receive role-specific training.
- Training shall cover bribery, facilitation payments, gifts, conflicts of interest, reporting channels, non-retaliation and case examples.
- Attendance and training content shall be retained.

9. Records and Registers

Record	Minimum Content	Owner
Ethical Business Risk Assessment	Risk, rating, controls, actions, review date	Compliance
Gift & Hospitality Register	Date, giver/recipient, value, purpose, approval, disposition	Compliance / HR
Conflict of Interest Declaration	Person, interest, decision affected, mitigation	HR / Compliance
Business Partner Due-Diligence File	KYC, screening, approval, review	Procurement
Ethical Concern / Whistle-blowing Register	Case ID, date, issue, status, outcome	Compliance
Investigation File	Evidence, interviews, findings, action	Compliance
Training Register	Topic, date, attendees, trainer	HR
Facilitation Payment Register	Date, recipient, amount, legal basis, approval, accounting reference	Finance

10. Monitoring and Review

- The RJC Compliance Manager shall review the Gift Register, reported concerns, conflict declarations, high-risk counterparties and any facilitation payments at least annually.
- Internal audits shall test implementation and effectiveness of this SOP.
- Management review shall evaluate trends, incidents, corrective actions, training completion and emerging risks.
- This Policy/SOP shall be reviewed at least annually and whenever there is a material legal, business, customer or RJC requirement change.

11. Key Forms

- ACPL-RJC-F04 Supplier / Business Partner KYC Form
- ACPL-RJC-F05 Responsible Sourcing Due-Diligence Assessment
- ACPL-RJC-F06 Supplier Approval & Review Register
- ACPL-RJC-F08 Grievance / Complaint Register
- ACPL-RJC-F14 Training Matrix & Attendance Register
- ACPL-RJC-F25 Corrective Action / CAPA Register
- ACPL-ETH-F01 Gift & Hospitality Register
- ACPL-ETH-F02 Conflict of Interest Declaration
- ACPL-ETH-F03 Ethical Concern / Whistle-blowing Form
- ACPL-ETH-F04 Ethical Business Risk Assessment
- ACPL-ETH-F05 Investigation Report

12. Approval

Prepared By	Reviewed By	Approved By	Date
RJC Compliance Manager	Management Representative	Managing Director	_____

Appendix A – Employee Ethical Business Declaration

I confirm that I have received and understood the ACPL Exports Pvt. Ltd. Ethical Business Policy & SOP. I will not participate in bribery, fraud or other prohibited conduct; I will disclose relevant conflicts of interest; I will follow gift and hospitality controls; and I will report suspected misconduct in good faith without fear of retaliation.

Employee Name	Employee ID	Department	Signature	Date

Appendix B – Gift & Hospitality Register Template

Date	Employee	Giver/Recipient	Description	Value (INR)	Purpose	Approval	Action

Source basis: RJC Code of Practices Standard 2024, especially COP 5–7, COP 11–12, COP 18 and the General Requirements. The document is an ACPL internal implementation document and does not replace applicable law or the official RJC standard.

For ACPL EXPORTS PVT. LTD.

Authorised Signatory