



October 4th 2011

Eeva Attling Stockholm's Code of Conduct

Our company is committed to a sustainability policy which includes respect for universally recognised standards for the environment, human rights, labour, and anti-corruption.

Therefore, we seek to ensure that all our suppliers operate in compliance with the terms and standards of our supplier Code of Conduct. Please refer to the enclosed Code of Conduct for more information about the specific terms and standards.

In case of non-compliance with some of the standards in our Code of Conduct, we will help to secure a program of steady improvements.

We ask you to sign our Code of Conduct to indicate that your company accepts to comply with the terms stated in our Code of Conduct.

If you have any questions regarding this letter or our Code of Conduct, please contact our offices.

Kind regards,

Eeva Attling Stockholm



Efva Attling Stockholm's Code of Conduct

Introduction

Purpose of the Code of Conduct

The purpose of this Code of Conduct is to ensure that the suppliers to Efva Attling Stockholm operates in accordance with internationally recognised minimum standards on human rights, labour and the environment. Efva Attling Stockholm adheres to the principles of this Code and expects the same of its suppliers. Compliance to the terms of this Code of Conduct is a condition of any agreement or contract between Efva Attling Stockholm and *the supplier*.

The aim of this Code is not to cease the business relationship between Efva Attling Stockholm and *the supplier*, but to help suppliers improve social and environmental standards. Efva Attling Stockholm is therefore willing to work with our suppliers to achieve compliance with the provisions of this Code. However, we will not conduct business with a supplier if compliance with the terms of this Code is deemed impossible. Nor will we conduct business with a supplier engaged in violations of fundamental human rights (see zero-tolerance standards below). Efva Attling Stockholm shall periodically review the adequacy and continuing effectiveness of this Code of Conduct.

Scope of Application

The terms of this Code extend to all workers, regardless of their status or relationship with a supplier. This Code of Conduct therefore also applies to workers who are engaged informally, on short-term contracts, or on a part-time basis. It shall be the responsibility of *the supplier* to ensure that its sub-suppliers do not violate the standards of this Code of Conduct.

General Principles

Any questions or disputes regarding the interpretation of the terms of this Code shall be resolved by Efva Attling Stockholm. This Code is not and should not be interpreted as a means to circumvent or undermine national laws or national labour inspectorates. Similarly, this Code is not and should not be interpreted as a substitute for free trade unions, nor should it be used as a substitute for collective bargaining. This Code of Conduct establishes minimum standards and Efva Attling Stockholm will not accept any attempt to use the terms as a means to lower existing standards or to prevent or discourage collective bargaining. When implementing this Code, *the supplier* shall take all necessary measures to ensure that they do not unintentionally leave workers and other beneficiaries in a worse position than before this Code was introduced.

Legal Compliance

In addition to meeting the terms of this Code, *the supplier* shall comply with all national laws and regulations, as well as other applicable standards (e.g. collective bargaining agreements or other Codes of Conduct). Where there are differences between the terms of this Code and national laws or other applicable standards, *the supplier* shall adhere to the higher or more stringent requirements. Conflicts between the provisions of this Code and national laws or other applicable standards shall be evaluated by Efva Attling Stockholm in cooperation with its supplier and relevant stakeholders in order to establish the most appropriate course of action that will help to foster respect for fundamental human rights, labour standards and the environment. If any conflicts are detected, *the supplier* must inform Efva Attling Stockholm immediately.



Scope

The scope of this Code of Conduct captures the following elements, to contribute to Sustainable Development:

- 1. Business Ethics:** upholding ethical business practices.
- 2. Human Rights and Social Performance:** upholding fundamental human rights, treating workers and communities fairly and with respect, encouraging a diverse workforce, and providing a safe working environment.
- 3. Environmental Performance:** promoting efficient use of resources and energy, protecting biodiversity and reducing and preventing pollution.
- 4. Management Systems:** complying with Applicable Law, assessing impacts and benefits, establishing policy and plans, and managing business Risks including Contractors, Suppliers and Partners.

International Standards

This Code of Conduct is based on and have been established through reference to national and international law, established international and industry standards, and responsible business practice.

International standards referenced in the development of this Code of Conduct include:

- Alliance for Responsible Mining Vision and Principles for Responsible Artisanal and Small-scale Mining
- Awareness and Preparedness for Emergencies at the Local Level (APELL) for Mining
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- Ethical Trading Initiative – Base Code
- Extractive Industries Transparency Initiative
- Financial Action Task Force standards against Money Laundering and the finance of terrorism
- Global Reporting Initiative
- International Council on Mining and Metals Sustainable Development Principles, Position Statements and guidance documents
- International Cyanide Management Code
- International Diamond Council Rules for Grading Polished Diamonds (2008)
- International Finance Corporation (IFC) Performance Standards
- International Labour Organisation (ILO) Fundamental Rights at Work (Conventions for the elimination of Child Labour, forced and compulsory labour and discrimination in the workplace, and for freedom of association and collective bargaining)
- Kimberley Process Certification Scheme and World Diamond Council System of Warranties for Diamond shipments
- SA8000 on Child Labour, remuneration, working hours, workplace discipline and grievance procedures
- The World Jewellery Confederation (CIB JO) regulations for product integrity and disclosure
- United Nations Global Compact
- United Nations Universal Declaration of Human Rights and core human rights conventions
- Voluntary Principles on Security and Human Rights
- World Bank Group Environmental, Health and Safety Guidelines
- International Union for the Conservation of Nature (IUCN) Red List of Threatened Species
- World Heritage Convention



Code of Conduct – Provisions

I Business Ethics

I.1 Bribery and Facilitation Payments

1. The supplier must prohibit Bribery in all business practices and transactions that are carried out by them, or on their behalf by Business Partners. They will not offer, accept or countenance any payments, gifts in kind, hospitality, expenses or promises as such that may compromise the principles of fair competition or constitute an attempt to obtain or retain business for or with, or direct business to, any person; to influence the course of the business or governmental decision-making process.
2. The supplier will consider Bribery Risk as it applies to their organisation (including agents) to identify which areas pose high Risks. The supplier will develop appropriate methods to monitor conduct of Employees and agents and eliminate Bribery based on this understanding.
3. The supplier will facilitate the reporting of incidences of attempted Bribery or inappropriate gifts within their organisation and will apply the appropriate sanctions for Bribery and attempted Bribery in all forms.
4. The supplier will clearly communicate to their Employees that no Employee will suffer demotion, penalty or other adverse consequences for voicing a concern, or for refusing to pay a bribe or Facilitation Payment even if this action may result in the enterprise losing business.
5. Where suppliers have not yet been able to eliminate Facilitation Payments, they will implement appropriate controls to monitor, oversee and fully account for all Facilitation Payments made. They will work to ensure that they are of limited nature and scope, with an ultimate objective to eliminate all Facilitation Payments.

I.2 Money Laundering and Finance of Terrorism

1. The supplier must maintain financial accounts of all business transactions where required by Applicable Law and in accordance with national or international accounting standards. These accounts must be independently certified and/or audited by a properly qualified auditor who is appointed free of any bias or influence.
2. The supplier should be aware that international transactions may be subject to more than one regulatory jurisdiction.
 - a. Where no Applicable Law exists, the supplier should comply with the provisions in the Financial Action Task Force (FATF)¹ 40 Recommendations and 9 Special Recommendations as applicable to dealers in Precious Metals and gemstones under the Designated Non-Financial Business Professions (DNFBP).
 - b. Cash or cash-like transactions should always take place in compliance with Applicable Law. Where they occur above the relevant defined financial threshold, records need to be lodged with the relevant designated authority.
3. The supplier must operate according to the principles of “know your customer” so as to establish the identity of all organisations with which they deal, have a clear understanding of their business relationships and have a reasonable ability to identify and react to transaction patterns appearing out of the ordinary or suspicious.

¹ Financial Action Task Force (FATF) – an international policy making organisation established to counter criminal use of financial systems.

I.3 Kimberley Process

1. The supplier must not knowingly buy or sell Conflict Diamonds or assist others to do so.
2. The supplier, where involved with the international trade of rough Diamonds must apply the rough Diamond export and import verification system and controls as laid out by the Kimberley Process Certification Scheme and relevant national legislation. The supplier must keep records of Kimberley Process Certificates for rough Diamonds. Kimberley Process certificates must be independently audited and reconciled by a company’s own independent auditor on an annual basis. If asked for by a duly authorised government agency, these records must be able to prove compliance with the Kimberley Process.

3. The supplier, where involved in buying and selling Diamonds, whether rough, polished or set in Jewellery, must fully adhere to the principles of the “World Diamond Council Resolution on Industry Self-Regulation”. The supplier is required to have systems in place so that all invoices for Diamonds, whether rough, polished or set in Jewellery, either bought or sold, contain the World Diamond Council warranty statement². The supplier must keep records of all such invoices. The supplier must have systems in place so that they do not purchase from sources that do not provide the World Diamond Council warranty statement on their invoices.

4. The supplier will inform all Employees that buy or sell Diamonds about government restrictions on the trade in Conflict Diamonds, the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties.

² World Diamond Council warranty statement – “The Diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict and in conformance with United Nations resolutions. The seller hereby guarantees that these Diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the Supplier of these Diamonds.”

1.4 Product Security

1. The supplier will establish product security measures within the premises and during shipments to protect against product theft, damage or substitution.
2. The security and well being of Employees, Visitors and other relevant Business Partners will be prioritised when establishing product security measures.

1.5 Product Integrity

1. **General:** The supplier will at all times comply with relevant trading standards legislation and, where they exist, specific national and/or local regulations applicable to Diamond and Gold Jewellery products. Where no specific trading standards or product integrity regulations apply, the supplier must comply with the requirements listed below.
2. **Proper Disclosure:** The supplier must make all reasonable efforts to properly disclose all relevant information on the physical characteristics, such as mass/weight, cut, colour, clarity or fineness, of a Diamond or Gold Jewellery product.
3. **Misrepresentation:** The supplier will not make any untruthful, misleading or deceptive statement, representation³ or material omission in the selling⁴, advertising⁵ or distribution of any Diamond, Treated Diamond, Synthetic or Simulant, or any Gold product, in any medium, including the internet.
4. **Gold:**
 - a. The supplier will accurately disclose the fineness of the Gold used in their products.
 - b. When applying Gold Quality Marks to articles wholly or in part composed of Gold, the supplier will apply a Mark authorised to be applied thereto under Applicable Law that correctly indicates the quality of the Gold of which the article is in whole or in part composed. The Mark will be applied in a manner authorised by Applicable Law or relevant international standards.
5. **Treated Diamonds:**
 - a. A Treated Diamond must be disclosed as either “Treated” or with specific reference to the particular Treatment. The description must be as equally conspicuous and placed immediately preceding the word(s) “Diamond” or “Synthetic”, as the case may be. Specifically:
 - Any term that is designed to disguise that Treatment has occurred, or to imply that a Treatment is part of the normal polishing process, or that misleads the consumer in any way, must not be used. For example, the term “improved” must not be used to describe a Treated Diamond.
 - Any special care requirements that the Treatment creates must be disclosed.
 - b. Names of firms, manufacturers or trademarks are not to be used in connection with Treated Diamonds, unless such names are clearly succeeded by the word “Treated” as defined in this section or are otherwise equally conspicuously and prominently disclosed as Treated.
6. **Synthetic Diamonds:**
 - a. A wholly or partially Synthetic diamond must always be disclosed as “laboratory created”, “laboratory grown”, “man-made”, “[Manufacturer’s name] created”, and/or “Synthetic” and the description must be equally as conspicuous and immediately preceding the word “diamond”.⁶
 - b. The supplier will not use the words “real”, “genuine” or “natural” to describe any Synthetic, or any terms that may disguise the fact that a diamond is Synthetic or that mislead the consumer in any way.

7. Diamond Simulants:

- a. The supplier must always disclose a Simulant either as the mineral or compound that it is, or as a “diamond Simulant” or “imitation diamond”. The unqualified word “Diamond” must never be used with Simulants.
- b. The supplier will not use the words “real” and “genuine” to describe any Simulant.
- c. The supplier will not use the word “natural” to describe any Simulant if the Simulant is not a naturally occurring mineral or compound.

8. Diamond Quality – Cut and Polished Diamonds:

- a. The supplier when describing the weight, colour, clarity or cut of Diamonds will at all times do so in accordance with the recognised guidelines appropriate to the particular jurisdiction.
- b. The supplier will not use the word “flawless” or “perfect” to describe either:
 - any Diamond that discloses flaws, cracks, inclusions, carbon spots, clouds, internal lasering, or other blemishes or imperfections of any sort when examined under a corrected magnifier at 10-power, with adequate illumination by a person skilled in Diamond grading; or
 - any article of Jewellery that contains any Diamonds that do not meet the definition of “flawless” or “perfect”.
- c. The supplier will not use the terms “brilliant”, “brilliant cut” or “full cut” to describe, identify or refer to any Diamond except a round Diamond that has at least 32 facets plus the table above the girdle, and at least 24 facets below it.

³ Representation includes illustrations, descriptions, expressions, words, figures, depictions or symbols shown in a manner that may reasonably be regarded as relating to the substance.

⁴ Selling includes offering for sale, exposing for sale, displaying in such a manner as to lead to a reasonable belief that the product so displayed is intended for sale. For avoidance of doubt, this includes the accepted industry practice of “memo”, the practice of consigning goods to clients for pre-arranged periods for potential sale.

⁵ Advertising includes directly or indirectly promoting the sale or use of a product.

⁶ International Diamond Council Rules for Grading Polished Diamonds (2008).

1.6 Extractive Industries Transparency Initiative

1. The supplier with Mining Facilities will commit to and support implementation of the Extractive Industries Transparency Initiative (EITI).

2 Human Rights and Social Performance

2.1 Human Rights

1. The supplier will at all times respect the fundamental human rights and the dignity of the individual, according to the United Nations Universal Declaration of Human Rights.

2.2 Child Labour and Young Persons

1. The supplier will not engage in or support the employment of Children (younger than 15 years, or 14 years where the law of the country permits) beyond those circumstances defined in ILO Convention 138 and Recommendation 146 unless sanctioned by national and/or local government or as part of a recognised apprentice scheme, in accordance with the guidelines laid down in the Global Compact⁷.
2. Where any Children are found to be in employment, the supplier will provide adequate support to enable them to attend and remain in school until no longer a Child. Child Labour Remediation processes will include steps for the continued welfare of the Child and consider the financial situation of the Child’s family. Children found to be in employment contrary to minimum age requirements may remain in partial employment during a phased Remediation process. The supplier will provide a minimum period of night time rest of 12 hours, with customary weekly rest days; and ensure that overtime is prohibited and the Child receives fair payment for the work he or she is undertaking.
3. The supplier will promote education for Children covered under ILO recommendation 146 and Young Persons who are subject to local compulsory education laws or attending school, including means to ensure that no such Child or Young Person is employed during school hours and that combined hours of daily transportation (to and from work and school), school and work time does not exceed 10 hours a day.
4. The supplier will not expose a Child or Young Person to work, which by its nature or the circumstances in which it is carried out, is likely to jeopardise the Health, Safety or morals of persons

younger than 18 years (or 16 years subject to authorisation in Applicable Law and the receipt of adequate and specific instruction or vocational training in the relevant branch of activity).

⁷ Global Compact Guidelines for minimum age:
Developed Countries Developing Countries
Light Work 13 Years Light Work 12 Years
Regular Work 15 Years Regular Work 14 Years
Hazardous Work 18 Years Hazardous Work 18 Years

2.3 Forced Labour

1. The supplier must not use Forced Labour (including bonded, indentured or prison labour), nor restrict the freedom of movement of Employees.
2. The supplier must not retain original copies of Employee personal documentation, such as identity papers, nor require any form of deposit, recruitment fee, or equipment advance from Employees either directly or through recruitment agencies.

2.4 Freedom of Association and Collective Bargaining

1. The supplier will not prevent Employees from associating freely. Where laws prohibit these freedoms, the supplier will support parallel means for independent and free association and bargaining⁸.
2. The supplier will not prevent collective bargaining and will adhere to collective bargaining agreements, where such agreements exist.

⁸ Text adapted from: Ethical Trading Initiative – Base Code.

2.5 Discrimination

1. The supplier will not practice or condone any form of discrimination in the workplace in terms of hiring, remuneration, overtime, access to training, promotion, termination or retirement based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, physical appearance, HIV status, or age, or any other applicable prohibited basis, such that all individuals who are “Fit for Work” are accorded equal opportunities and are not discriminated against on the basis of factors unrelated to their ability to perform their job.

2.6 Health & Safety

1. The supplier will provide safe and healthy working conditions for all Employees in accordance with Applicable Law and other relevant industry standards. These conditions include:
 - a. minimising, so far as reasonably practicable, the causes of workplace Hazards.
 - b. appropriate safeguards and isolation between Employees and all machinery including mobile equipment.
 - c. adequate and appropriate labelling and storage of all chemicals and cleaning materials.
 - d. methods to protect Employees from exposure to airborne particles and chemical fumes.
 - e. identifying and providing appropriate Personal Protective Equipment (PPE) free of charge and verifying that it is current, worn and used correctly.
 - f. providing work stations that are designed as appropriate to the task performed, to minimise occupational Health Risks such as repetitive strain.
 - g. adequate lighting, ventilation and air quality; safe noise levels and temperatures.
 - h. maintaining adequate workplace hygiene at all times by conducting regular routine cleaning, providing safe and accessible potable drinking water and sanitary facilities for food storage, and clean and hygienic washing and toilet facilities commensurate with the number and gender of staff employed.
 - i. providing adequately constructed and maintained workplaces that meet local building regulations.
 - j. ensuring that if Employees are provided with on-site housing by the supplier, such housing will be maintained to a reasonable standard of Safety, repair and hygiene; and provided with sufficient and proper sanitation facilities, potable water and access to adequate power supply.
2. The supplier who is engaged in the cutting and polishing of Diamonds will use cobalt-free Diamondimpregnated scaifes.
3. The supplier will provide Employees with a mechanism, such as a joint Health and Safety committee, by which they can raise and discuss Health and Safety issues with management.
4. The supplier will make information about Health and Safety available to Employees in an

understandable form and in an appropriate language. Material Safety Data Sheets (or equivalent necessary information) will be accessible where all Hazardous Substances are in use, and the Risks associated with use of Hazardous Substances must be clearly communicated to all Employees who work with them.

5. Appropriate procedures must be in place to prevent accidents and injury to Health arising from, or linked to, the course of work-related activities and operations at a Facility.
6. The supplier will provide access to adequate on-site Health and medical facilities, including clearly marked first aid provisions, and develop procedures for transportation of more serious Health concerns to local hospitals or medical facilities.
7. The supplier will install appropriate alarms, warning devices and fire Safety mechanisms. This includes fire fighting equipment; clearly marked, unlocked and unblocked emergency exits and escape routes; and emergency lighting in all Facilities.
8. The supplier will establish emergency procedures and evacuation plans for all reasonably foreseeable emergencies. The supplier will ensure that the procedures and plans are accessible or clearly displayed throughout their Facilities, are maintained, regularly tested (including the conduct of evacuation drills), and are updated periodically. Mining Facilities will develop and maintain emergency response plans, in collaboration with potentially affected communities, workers and their representatives, and relevant agencies, pursuant to guidance provided by UNEP on Awareness and Preparedness for Emergencies at the Local Level (APELL) for Mining.
9. The supplier will provide training so that Employees are aware of: specific role-related Health and Safety Risks and Hazards; and methods for appropriate protection from such Hazards, including proper use of PPE and appropriate action to take in the event of an accident or emergency. Training will include first aid training to designated Employee representatives and appropriate training in fire Safety and emergency procedures for all Employees. Training undertaken must be recorded and repeated for new and re-assigned Employees.
10. The supplier will ensure that serious Health and Safety incidents, as well as the business' response and outcome from such incidents, are formally documented and investigated with the results of the investigation feeding into regular Health and Safety reviews and improvement plans.
11. The supplier will ensure that Employees and Contractors understand that they have the right and responsibility to stop work or refuse to work in situations that have Uncontrolled Hazards, and to immediately bring these situations to the attention of those at imminent Risk and to management.
12. Diamond or Gold Jewellery products sold by the supplier to end consumers will be compliant with the applicable regulations for product Health and Safety.

2.7 Discipline and Grievance Procedures

1. The supplier will not use corporal punishment under any circumstances, and will ensure that Employees are not subjected to harsh or degrading treatment, sexual or physical harassment, mental, physical or verbal abuse, coercion or intimidation in any circumstances.
2. The supplier will clearly communicate the business' disciplinary process, and related standards on appropriate disciplinary procedures and Employee treatment, and apply these equally to all management and staff.
3. The supplier will provide clear grievance procedures and investigation processes and clearly explain these to all Employees. Records of Employee grievances raised, investigation processes and outcome will be maintained.

2.8 Working Hours

1. The supplier will apply normal working hours that comply with Applicable Law. Where no specific laws and regulations exist, working hours will not exceed, on a regular basis, a maximum of 48 hours per working week in accordance with ILO Convention 1. Where these limits are required to be exceeded in special circumstances (for example on fly-in, fly-out sites), this should be in compliance with Applicable Law and should be planned so as to provide safe and humane working conditions.
2. If overtime is required for business needs, the supplier will compensate overtime to their Employees according to Applicable Law. Overtime will be voluntary and except in special circumstances (for example on fly-in, fly-out sites) be limited to a maximum of 12 hours in a week.
3. The supplier will provide Employees with all legally mandated leave, including maternity and paternity, compassionate and paid annual leave. Where no Applicable Law exists, paid annual leave will be provided in accordance with ILO Convention 132.

4. The supplier will provide all Employees with at least one rest day in seven consecutive working days in accordance with ILO Convention 14. Where these limits are required to be exceeded in special circumstances (for example on fly-in, fly-out sites), this will be in compliance with Applicable Law, or where no specific laws exist, the prevailing industry standards. All exceedances should be planned so as to provide safe and humane working conditions.

2.9 Remuneration

1. The supplier will pay all Employees a wage based on the higher of either the applicable legal minimum wage plus associated statutory benefits, or the prevailing industry standards.
2. The supplier will make payment to the Employee on a regular and pre-determined basis.
3. The supplier will provide payment by bank transfer or in cash or cheque form, in a manner and location convenient to the Employees.
4. The supplier will accompany all payments by a wage slip which clearly details wage rates, benefits and deductions where applicable.
5. The supplier will not make deductions from wages without following due process.
6. The supplier will not force Employees to buy provisions from the Member's own business or Facilities.

2.10 General Employment Terms

1. Obligations to Employees under Applicable Law relating to labour or social security arising from the regular employment relationship will not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements; or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment; or through the excessive use of fixed-term contracts of employment.
2. The supplier will maintain appropriate Employee records, including records of piece rate and wage payments as well as working hours, for all staff employed, whether on a full time, part time or seasonal basis.

2.11 Community Engagement and Development

1. The supplier will seek to support the development of the communities in which they operate through support of community initiatives.
2. The supplier with Mining Facilities will have appropriate skills, resources and systems in place for early and ongoing engagement with affected communities and stakeholders throughout the project's lifecycle, from earliest exploration activities, construction prior to commencement of mining, during mine operations, through to closure and post-closure monitoring. The interests and development aspirations of affected communities must be considered in major mining decisions in the project's lifecycle, and broad community support for proposals should be sought. Engagement must be carried out in an inclusive, equitable, culturally appropriate and rights-compatible manner.
3. The supplier with Mining Facilities will avoid or otherwise minimise involuntary resettlement. Where resettlement is unavoidable, its implementation should be consistent with International Finance Corporation (IFC) Performance Standard 5.
4. The supplier with Mining Facilities must ensure that affected communities have access to rights-compatible complaints and grievance mechanisms at the operational level for raising and resolving disputes and clearly explain these to the affected communities. Records of grievances raised, investigation processes and outcomes will be maintained.

2.12 Use of Security Personnel

1. The supplier will use armed security personnel only when there is no acceptable alternative to manage Risk or to ensure the personal Safety of Employees, Contractors and Visitors to the Facility.
2. The supplier will ensure that all security personnel respect the human rights and dignity of all people and use the minimum force proportionate to the threat.
3. The supplier with Mining Facilities will ensure that security risk assessments are conducted and that security personnel receive training and operate in accordance with the Voluntary Principles on Security and Human Rights (2000).

2.13 Indigenous Peoples

1. Mining Facilities will respect the rights of Indigenous Peoples as articulated and defined in applicable provincial, national and international laws and their social, cultural, environmental and economic

interests, including their connection with lands and waters.

2. Mining Facilities will seek to obtain broad-based support of affected Indigenous Peoples and to have this support formally documented, including partnerships and/or programs to provide benefits and mitigate impacts.

2.14 Artisanal and Small-scale Mining

1. The supplier with Mining Facilities will, as appropriate, participate in initiatives, including multi-stakeholder initiatives, that enable the professionalisation and formalisation of artisanal and small-scale mining (ASM), where it occurs within their areas of operation.

2. Where ASM operates on or around a Mining Facility, the supplier will engage directly with them as part of their Social and Environmental Impact Assessment and community engagement processes.

3 Environmental Performance

3.1 Environmental Protection

1. The supplier will, wherever appropriate, introduce management and operating systems to minimise the detrimental environmental impacts of its business practices.

3.2 Hazardous Substances

1. The supplier will not manufacture, trade, and/or use chemicals and Hazardous Substances subject to international bans due to their high toxicity to living organisms, environmental persistence, potential for bioaccumulation, or potential for depletion of the ozone layer.

2. The supplier will employ alternatives to other Hazardous Substances used in production processes wherever technically and economically viable.

3. All mining suppliers using cyanide in the recovery of Gold will comply with the International Cyanide Management Code, 2005 and will ensure applicable sites are certified to the International Cyanide Management Code within 3 years from the date this Code of Conduct is signed.

3.3 Waste and Emissions

1. The supplier will dispose of waste substances in compliance with Applicable Law. Where Applicable Law does not exist, prevailing international standards will be adopted.

2. The supplier will take steps to reduce the quantity of waste produced from their operations through the principles of reduce, recover, re-use and recycle. All waste will be responsibly managed and the waste disposal decision making process will take into account environmental considerations as well as cost considerations.

3. The supplier will seek to decrease emissions to air, water and land relative to production output.

4. The supplier with Mining Facilities will:

a. Design, construct, maintain and monitor tailings facilities and waste rock facilities to ensure structural stability, and protect the surrounding environment and local communities.

b. Not use riverine tailings disposal.

c. Not use submarine tailings disposal for land-based Mining Facilities, unless:

- a thorough environmental and social analysis of alternatives was conducted which showed that submarine tailings disposal creates fewer environmental and social impacts and risks than a land-based tailings facility, and

- it can be scientifically demonstrated that a significant adverse effect on coastal resources does not result, and

- the tailings are released in seawater below the surface thermocline and euphotic zone.

d. Carry out physical and geochemical characterisations of mining wastes so as to identify and manage potential impacts arising from acid rock drainage and metal leaching.

3.4 Use of Energy and Natural Resources

1. The supplier will seek to ensure the efficiency of their business operations in terms of consumption of natural resources including, but not limited to, water and energy.

2. Where transportation of people, goods and materials is a significant business impact, the supplier will seek to identify and implement practices that reduce use of fossil fuels and associated greenhouse gas emissions from transportation.

3.5 Biodiversity

1. The supplier with Mining Facilities will not explore or mine in World Heritage Sites and will ensure that their activities do not negatively impact directly on adjacent World Heritage Sites.
2. The supplier with Mining Facilities will respect legally designated protected areas by ensuring that:
 - a. The supplier have a process to identify nearby legally designated protected areas.
 - b. The supplier comply with any regulations, covenants or commitments attributed to these areas.
 - c. Decisions to proceed with exploration, development, operation and closure activities take into account the presence of, and impact on, legally designated protected areas.
3. The supplier with Mining Facilities will identify Key Biodiversity Areas within their operating boundaries and implement action plans to deliver measurable biodiversity benefits commensurate with the level of biodiversity impacts.
4. The supplier with Mining Facilities will not undertake an activity that will, or is likely to, lead to the extinction of a species listed by the IUCN as threatened with extinction.
5. Land disturbed or occupied by Mining Facilities shall be rehabilitated by adopting good practice techniques. The rehabilitation objective should be to establish a sustainable native ecosystem, or other post-mining land use developed through engagement with key stakeholders in the mine closure planning process.

4 Management Practices

4.1 Legal Compliance

1. The supplier will be aware of and comply with Applicable Law.

4.2 Policy

1. The supplier must adopt a policy that is endorsed by senior management, supports achievement of this Code of Conduct and make the policy publicly available.

4.3 Business Partners – Contractors, Customers, Suppliers and Partners

1. The supplier will consider Risks related to business ethics, human rights, social and environmental business practices of significant Business Partners in the Gold and Diamond Jewellery supply chain, which have the potential to impact the suppliers own practices arising from such business relationships. Based on this Risk Assessment, the supplier will use their best endeavours, commensurate with their ability to influence, to promote responsible business practices among their Business Partners.
2. Contractors working on the suppliers Facilities and Visitors to these Facilities will be required to comply with the suppliers management and operating systems relevant to the Code of Conduct.

4.4 Impact Assessment

1. The supplier with Mining Facilities will engage with affected communities and stakeholders to complete an environmental and social impact assessment, and associated environmental and social management plans, for exploration and new Mining Facilities or significant changes to operations at existing Facilities. Social impact assessments and management plans should include assessment of human rights, gender and conflict.

4.5 Mine Closure Planning

1. The supplier with Mining Facilities will prepare and regularly review a mine closure plan in relation to each Mining Facility, and ensure that adequate resources, including financial resources, are available to meet closure and rehabilitation requirements. New Facilities require a closure plan from start-up and existing Facilities need to put in place a comprehensive plan as early as possible.
2. The supplier with Mining Facilities will engage regularly with local stakeholders in relation to each Mining Facility, including Indigenous Peoples, communities, ASM, employees and regulators, regarding mine closure and rehabilitation plans.

4.6 Sustainability Reporting

1. The supplier with Mining Facilities will report annually on their sustainability performance using the Global Reporting Initiative (GRI) Guidelines and GRI Mining and Metals Sector Supplement. The reports must have external assurance as defined by the GRI.



Implementation of the Code of Conduct

Records and Documentation

The supplier shall maintain appropriate records to demonstrate compliance with the terms of this Code of Conduct. Records shall be available to Eeva Attling Stockholm upon request at any time. Appropriate records include, but are not limited to:

Names and ages of all workers

Timesheets

Payroll records including wage slips and overtime wage records

Material safety data sheets, accident records and relevant health and safety certificates and permits

Environmental records including data from the monitoring of significant environmental impacts and relevant permits

Records of any significant instances of non-compliance encountered in relation to this Code, including a summary of the corrective actions taken to remedy the deficiencies

Definition of Roles and Responsibilities

The supplier must assign responsibilities within its organisation for the implementation of this Code of Conduct. As a minimum, the following representatives shall be designated:

- One or more management representatives with the responsibility and authority to ensure compliance with the terms of this Code
- A qualified health and safety officer at each facility responsible for planning, implementing and monitoring the supplier's health and safety policies and procedures
- A freely elected workers' representative responsible for facilitating dialogue and communication between the supplier and its employees on all matters pertaining to this Code. This function may be alternatively carried out by a freely elected trade union representative.
- The supplier shall ensure that repeated offences and serious neglect by any of its personnel in relation to matters pertaining to this Code will result in appropriate disciplinary actions, which may include dismissal from employment.

Training and Awareness Raising

The standards included in this Code of Conduct shall be communicated to all new employees, including managers and supervisors, immediately upon hiring. *The supplier* shall ensure that all employees are regularly informed about the standards included in this Code and the necessity of acting in accordance with them. In areas with high illiteracy rates, employees shall receive verbal instructions. This Code of Conduct shall also be transmitted to local unions or other worker representatives. It should always be accessible to all employees and in the local languages whenever appropriate.

Complaints Procedures

The supplier shall establish mechanisms for hearing, processing, and settling complaints of employees. Workers must have the right to anonymously submit complaints regarding all workplace concerns, including complaints regarding the supplier's failure to comply with this Code of Conduct, without fear of punishment or adverse employment action.

The supplier shall properly investigate, address and settle all complaints in accordance with its pre-established complaint procedure. Anyone affected by the supplier's activities must have access to communicate concerns or submit complaints without discrimination or fear of reprisals. The supplier shall properly investigate, address and settle any complaints or concerns raised by local communities and workers.

Relations to Sub-suppliers

The supplier is responsible for ensuring that its respective sub-suppliers comply with the terms and standards of this Code of Conduct. This includes sub-suppliers classified as home-based workers or small farmers. As part of this obligation, the supplier shall:

- Require sub-suppliers to inform the supplier about other business entities in the supply chain taking part in the production of each order
- Screen and select sub-suppliers based on their ability to meet the standards and term of this Code
- Make compliance to the terms and standards of this Code a condition of any agreement or contract that it enters into with sub-suppliers.
- Undertake reasonable efforts to check that sub-suppliers operate in conformance with this Code.



The zero-tolerance standards of Efvattling Stockholm outlined below are also applicable to sub-suppliers.

Monitoring

Efvattling Stockholm will monitor the operations of *the supplier* to assess and ensure its compliance with this Code of Conduct. Our monitoring programme consists of on-site inspections (or audits) and periodic self-evaluations by suppliers of their premises and those of their subcontractors.

The supplier shall at any time freely submit to announced and unannounced audits. The supplier is required to provide physical access to any auditor from Efvattling Stockholm or assigned by us. This obligation entails unhindered access to all facilities, records, and where provided by suppliers, housing, as well as employees for confidential interviews. The frequency and intensity of supplier audits will depend on - and shall be appropriate to - the scale and intensity of suppliers' operations

Verification

Efvattling Stockholm reserves the right to let an independent third party of our choice make on-site inspections to verify compliance with the terms of this Code of Conduct.

Enforcement, Remediation and Corrective Action

Where instances of non-compliance with the terms of this Code of Conduct are identified, *the supplier* shall promptly take corrective action to remedy the deficiencies, as well as take measures to prevent similar problems from recurring in the future.

The supplier shall make timely and reasonable amends to any employee, former employee, or community member whose rights have been violated. Remediation includes, but is not limited to, paying back all wages determined to have been unlawfully withheld or reinstating any employee assessed to have been unlawfully dismissed.

Where instances of non-compliance are detected as a result of audits, *the supplier* shall be given a fixed period of time to self-correct the deficiency. In the event of failure to self-correct a problem, Efvattling Stockholm is willing to engage in a constructive dialogue with the supplier to develop and implement a corrective action plan, with appropriate time scales for implementation and improvements to be achieved.

Agreement to abide by the corrective action plan allows continuation of the business relationship, as long as Efvattling Stockholm finds that the supplier is implementing the plan in good faith. In the event of repeated and serious breaches of the terms of this Code of Conduct, Efvattling Stockholm reserves the right to cease the business relationship with its supplier and possibly cancel any production or delivery in progress.

Zero-tolerance Standards

Efvattling Stockholm will not conduct business with a supplier engaged in violations of fundamental human rights. The following practices are therefore considered unacceptable:

The use of bonded and forced labour, including forced prison labour and human trafficking

Worst forms of child labour, including forced child labour, child prostitution, and other work which is likely to jeopardise the health, safety and morals of children

Any harsh, inhumane or degrading treatment or punishment of employees

The exposure of employees to life-threatening work environments, where they have not been informed of the dangers and where protective measures have not been undertaken

Deliberately causing substantial pollution to air or water, or substantial soil contamination

Any complicity in violations of international humanitarian law and other crimes against the human person as defined by international law, including war crimes, crimes against humanity, genocide, torture, forced disappearances, hostage taking and extrajudicial, summary or arbitrary executions.

If Efvattling Stockholm has reason to believe that such violations are being committed by a supplier, the business relationship will be terminated immediately. If we have reason to believe that a supplier was aware of the violation and willingly operated in violation of fundamental human rights, the supplier will be reported to the proper authorities.