

ASIAN STAR

ANNUAL BUSINESS RESPONSIBILITY & OECD COMPLIANCE REPORT FOR THE YEAR 2024-2025

2nd December 2025

Section A: General Information about the Company:

Asian Star Co. Ltd., incorporated in 1971, is one of the world's leading diamantaires, with business operations extending across the entire value chain from rough sourcing to jewellery marketing.

Asian Star Company Limited has been a Sightholder of De Beers since 1973. It has maintained high standards of honesty, integrity, and excellence in every aspect of its business. It is a certified member of the RJC (Responsible Jewellery Council) and is compliant with BPP (Best Practice Principles).

Business Model:

ASCL has a B2B business model. It has a diverse customer base, including diamond wholesalers, jewellery manufacturers, retail chains, and e-commerce businesses.

Following companies are covered in this report: (Company falls under Midstream Tier 1)

1. Asian Star Company Limited
2. Asian Star Co. Ltd. (New York)
3. A' Star Company (A Division of Asian Star Co. Ltd.)
4. Asian Star Company Limited (SEEPZ)
5. Asian Star FZCO

Section B: Financial Compliance of the ASIAN STAR GROUP:

2.1 Money Laundering, Terrorism Financing, Other Financial Offences

Current Status

- Asian Star Co. Limited, its facilities, and its subsidiaries are part of the compliance group and hereafter shall be referred to as "ASCL."
- ASCL recognizes that entities in the gems and jewellery sector must analyse their potential vulnerabilities to money laundering and implement specific steps required to protect against abuse by criminals.
- ASCL ensures strict and proper compliance at all times with all applicable national and, wherever applicable, international laws/regulations with respect to money laundering, terrorism financing, bribery, facilitation payments, corruption, smuggling, embezzlement, fraud, racketeering, transfer pricing, and tax evasion.
- ASCL adheres to appropriate due diligence (OECD) on a risk-based approach over its counterparties. It ensures appropriate scrutiny and monitoring of transactions on a risk-based approach. ASCL takes necessary steps to ensure effective elimination of money laundering and terrorism financing by promptly reporting suspicious transactions to the local Financial Intelligence Unit (FIU).
- A Compliance Officer has been appointed who reports to ASCL Management on the

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compliance status on an annual basis.

- Know Your Counterparty (KYC) and other due-diligence compliance requirements are followed in line with Anti-Money Laundering and Ethical Sourcing Guidelines.

Area of Concern & Remedial Measures

- One-time suppliers are a challenge when it comes to obtaining KYC information, and to overcome this, it has been decided to strictly follow “No KYC, No Business.”
- ASCL initiated the KYC/KYS process in detail, strictly obtaining UBO details from all diamond suppliers and customers, along with SOF details and other necessary declarations.

2.2 Kimberley Process and System of Warranties

- ASCL is fully committed to complying with all requirements specified in the Kimberley Process Certification Scheme and the World Diamond Council’s (WDC) System of Warranties Declaration.
- ASCL does not buy/sell goods from/to suspected or unknown parties without the supporting Kimberley Process Certificate and/or System of Warranties declaration.
- Day-to-day monitoring and compliance of SOW is done by the Compliance Officer.
- ASCL is committed to conflict-free sourcing and follows a zero-tolerance policy at the ASCL level.

Area of Concern & Remedial Measures

- Fully compliant and no areas of concern in KP and SOW.

2.3 Anti-Bribery and Facilitation Payment Policy

- ASCL ensures complete prohibition of bribery and facilitation payments. It does not offer, accept, or countenance any payment, gift in kind, hospitality, expense, or promise that may compromise assurance of fair competition.
- ASCL has published Compliance Team contact details on its website to receive any grievance or complaint.

Area of Concern & Remedial Measures

- Nothing reported in the last 12 months.

2.4 Ethical Sourcing of Loose Diamonds Policy

- The company ethically sources natural rough diamonds and precious metals from mines that comply with strict laws of the land and environmental regulations. The company sources natural rough diamonds and precious metals from entities where they are mined, processed, and graded in an environmentally responsible and socially conscious manner.
- ASCL has identified risks in the supply chain with respect to Conflict-Affected and High-Risk Areas (CAHRAs) and ensures that all supplies are screened for conflict-free sourcing.
- We have published the OECD-based Ethical Sourcing Policy and Procedure and all our suppliers must abide by the same.

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Area of Concern & Remedial Measures

- The current concern is the lack of awareness about OECD and CAHRA requirements for sourcing.
- As a remedial action, we have started creating awareness about our ethical sourcing requirements among suppliers and have begun collecting their upstream supply information.

2.5 Social Compliance

- ASCL ensures and strongly discourages any form of discrimination related to hiring, discharge, employee emoluments, pay, promotion, training of employees, etc., on the basis of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, HIV status, migrant status, membership of worker representative bodies, political affiliation, or any other unlawful criteria. We ensure full compliance with all applicable national and, where appropriate, international laws/regulations relating to employment, human rights, and labour codes across all our facilities and subsidiaries.

Area of Concern & Remedial Measures

- No complaints or grievances have been reported in the last 12 months.

2.6 Health and Safety

- ASCL recognizes the importance of health and safety management and has established a Health & Safety Policy for all its employees. They are covered under health insurance, accidental insurance, etc.
- The Company has several processes in place to identify work-related hazards and assess risks on a routine and non-routine basis, and where needed, suitable safety measures are taken.
- Workplace risk assessments and CAPA are monitored and workplace safety is improved regularly.

Area of Concern & Remedial Measures

- Nil as on date, as no accidents have been reported in the last year.

2.7 Human Rights

- ASCL treats all its employees with equality, respect, and dignity. ASCL does not interfere in the right of employees to observe tenets or practices based on caste, race, national origin, gender, religion, disability, union membership, or political affiliation. ASCL is intolerant of any direct or indirect physical, sexual, racial, religious, psychological, verbal, or any other form of harassment, abuse, intimidation, or degrading treatment towards its employees.
- The Company has an Equal Opportunity Policy in place, which is also published on the Company's website. https://www.asianstargroup.com/wp-content/uploads/2025/02/BPP_RJC_Policy_JAN2025.pdf
- The policy ensures fair hiring practices, prevents harassment or discrimination at work, and provides equal opportunities to all individuals irrespective of race, ethnicity, gender, age,

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disability, religion, or sexual orientation.

- The Company strongly discourages any sexually coercive, threatening, abusive, or exploitative behaviour.
- ASCL ensures that none of its suppliers or stakeholders has engaged in any activity that violates human rights principles.
- We have carried out Human Rights Due Diligence of our suppliers and other stakeholders, and suitable precautionary measures have been implemented.

Area of Concern & Remedial Measures

- No human rights violation concerns have been reported.
- However, we have a Whistle-blower Mechanism to facilitate the resolution of grievances and to promote the reporting of unethical behaviour, incidents, fraud, or violations.

2.8 Environment Protection

- ASCL takes responsibility to reduce environmental impact to a minimum in all its processes, services, and products, and to prevent and control any air, water, or soil pollution arising out of its operations.
- ASCL complies with all applicable environmental laws and regulations.
- ASCL takes measures to reduce wastage and adopts reuse and recycling wherever applicable and possible.
- ASCL is fully committed to complying with applicable laws, regulations, and standards relating to the environment.
- ASCL has started collecting data for a Carbon Footprint baseline study and shall soon come up with a reduction plan.

Area of Concern & Remedial Measures

- Global warming and sustainable development are current concerns, and we have initiated a carbon-footprint assessment to analyse and reduce our impact.

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ANNUAL REPORTING (RJC TOOL KIT VERSION 5.0)	
ETHICAL SOURCING COP-7	
Company Name:	ASIAN STAR GROUP
Date:	2 nd December 2025
Reporting Period :	Financial Year 2024-2025
Step 1: Establish strong company management systems	
1.A) Adopt and clearly communicate to suppliers and the public a company policy for the supply chain of minerals originating from conflict affected and high-risk areas.	<ul style="list-style-type: none"> • We re-reviewed the Ethical Policy on 22nd January 2025 and published it on our website for easy access to stakeholders. • OECD and Best Practice annual communication has been sent to all active suppliers. • Awareness presentation on Ethical Sourcing based on OECD guidelines has been circulated. • Detailed policy and procedure at the entity level has been established based on the risk of CAHRAs.
1.B) Structure internal management systems to support supply chain due diligence.	<ul style="list-style-type: none"> • Additional responsibility has been assigned to the Compliance Officer to oversee compliance with the Ethical Sourcing policy. • All key employees involved in sourcing and procurement of precious stones and metals are regularly been trained on our Ethical Sourcing Policy. • A supplier list is maintained along with their category in the supply chain, and

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	associated ongoing risk monitoring is carried out (Risk Assessment is based on various attributes).
1.C) Establish a system of controls and transparency over the minerals supply chain.	<ul style="list-style-type: none"> • Supplier upstream information, country of origin and CAHRA status are reviewed. • Currently more than 95% of Asian Star Group's procurement is from low-risk suppliers, and the remaining balance 5% is from non-regular suppliers where risk is medium to high. • Necessary due diligence and supplier engagement are carried out.
1.D) Strengthen company engagement with suppliers.	<ul style="list-style-type: none"> • As mentioned above, the Supplier Questionnaire has been circulated, and the information received is analysed for further actions, if any. • Due Diligence (DD) and Enhance Due Diligence(EDD) are carried out. • Supplier engagement for improvement has been initiated.
1.E) Establish a company-level or industry-wide grievance mechanism as an early warning risk-awareness System.	<ul style="list-style-type: none"> • We have established grievance-handling policies and procedures at the company level. • The contact details of our Compliance Head are provided on our website for easy communication.
Step 2: Identify and Assess Risk in the Supply Chain	

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Identify and assess risks in the supply chain and assess risks of adverse impacts.	<ul style="list-style-type: none"> • We have internal policy and procedure for annual and ongoing risk assessment of suppliers. • Each entity has appointed and trained a Compliance Officer to oversee financial and ethical sourcing compliances. • We have categorized the supply chain into three segments: Primary, Secondary and Open Market. • Open market supplies are considered potential risks for supplies from CAHRAs, and based on day-to-day monitoring, risks are identified and reported.
Step 3: Design and Implement a Strategy to Respond to Identified Risks (If Applicable)	
Report findings of the supply chain risk assessment to the designated senior management of the company.	<ul style="list-style-type: none"> • No red flags were reported during the period. However, additional information was received to the extent of our satisfaction. • Entity-level Compliance Officer re-reviewed unanswered flags and obtained necessary information from suppliers. • In case of incomplete or unsatisfactory information, management initiates engagement practices, discussions, and dialogues with suppliers to ensure full information / compliance in further business.
Devise and adopt a risk management plan.	<ul style="list-style-type: none"> • We have formulated risk management plans at the entity level, considering each entity's

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	<p>position in the supply chain and the position of suppliers in the supply chain.</p> <ul style="list-style-type: none"> Necessary action such as disengagement or holding business shall be taken based on the Compliance Officer's evaluation.
Implement the risk management plan and monitor the performance of risk mitigation efforts.	<ul style="list-style-type: none"> The Compliance Officer shall monitor mitigation actions and follow up for closure. The Compliance Officer shall report to management on an annual basis.
Communications	<ul style="list-style-type: none"> Business Principles have been published on the website, covering all COP-wise policies. In addition, an annual communication of the Business Policy is sent to all suppliers.
Step 4: Optional Information: Carry Out Independent Third-Party Audit	
RJC COP Audit	<ul style="list-style-type: none"> Our RJC COP recertification for the Asian Star co. Ltd. (New York) is scheduled for January 2026. <p>Additionally, the self-assessment for the Diamond Division Head Office (India) and factory has been initiated for the RJC COP 2024 version.</p>
Grievances And Remediation	<ul style="list-style-type: none"> No grievance whatsoever has been reported to date.

Prepared and Approved by: Compliance Officer

Date: 2nd December 2025