

Virtu Gem Code of Business Conduct and Ethics

This document outlines Virtu Gem's policies for ethical business operations and ethical conduct across our enterprise and our supply chain. These policies guide Virtu Gem internal and external interactions and relationships with its stakeholders and suppliers. This policy document will be circulated to all employees, sub-contractors, clients and suppliers of Virtu gem and will be made publicly available on the company website (www.virtugem.com).

The document will be referred to as the company code of business conduct and ethics, or simply, the Code.

Virtu Gem pledges to help our suppliers improve labor, health and safety and environmental conditions in the workplace, and to help our suppliers understand how to move from basic to leadership practices in these areas. We recognize that this effort requires listening to our suppliers and their employees' needs, and requires a collaborative approach using capacity building tools such as root-cause analysis, training, and management-system development to drive meaningful change.

About Virtu Gem

Virtu Gem started as a call for action to sustain the gemstone supply chain at the outbreak of the pandemic. Monica, Jessica, and Susan the founders of Virtu Gem combined their cumulative ASM and jewelry relationships and harnessed the benefits of technology to create a new business model which would open markets directly from mining communities to jewelers internationally. Virtu Gem launched in Zambia, then moved into Malawi and Kenya with plans to continue expansion bringing equitable gem trade across the globe. In 2021 the EGPS (Extractives Global Programmatic Support), a part of the World Bank Group, awarded a grant to the Responsible Jewelry Transformative for the Virtu Gem program. The grant facilitated a strong business foundation, the implementation of the CRAFT Code (The Code of Risk mitigation for Artisanal and small-scale miners engaging in Formal Trade) in eight mines, and the National Gem Cut workshop, that brought training and facet design development, carbon tracking data, and reduction.

Virtu Gem charges a 10% premium on sales of gems that are returned to the source mining community for giveback initiatives to improve safety and health, and the overall well-being of the miners. The premiums are channelled through the partner country associations. Virtu Gem has proven successful in improving the working conditions and commercial success of miners, cutters, gem traders, and jewelers, resulting in better business relationships for all and ethical provenance to consumers of the gems offered for sale.

Company Values

- Relationships not transactions
- Integrity
- Service
- Fidelity
- Professionalism
- Authenticity
- Reliability

Purpose Statement

“Jewelry for the common good: Beyond ornaments and decoration, Virtu Gem employs virtuous sourcing, grounded in an understanding of women and communities from which we source our gems, and the moral obligations this creates for us and our customers.”

Compliance with law

Virtu Gem operates within the bounds of all laws, rules, and regulations that are relevant to our operations in all countries in which we transact business.

Our suppliers are expected to do the same and will be monitored to: (1) all relevant and applicable laws and regulations of the country in which workers are employed including those at the federal, state/provincial and local community levels, (2) this code of conduct and business practices, and (3) where applicable, Collective Bargaining Agreements. When differences or conflicts in standards arise, suppliers are expected to comply with the highest standard that is the most in favor of the employees.

Human rights

The company safeguards and upholds the fundamental human rights for all people in all its business dealings and relationships with all internal and external stakeholders and suppliers. Our work environment is free of discrimination and harassment. The company strongly prohibits child labor, forced labor, and human trafficking by any of the mines where we source from and or including the mineral dealers and cutters in source countries.

Non- discrimination

Virtu Gem is an equal opportunity employer in hiring and promoting practices, benefits and wages. We will not tolerate discrimination against any person on the basis of race, ancestry, religion, color, gender, age, marital status, national origin, sexual orientation, citizenship, Vietnam-era or disabled veteran status, medical condition, physical or mental disability, or any other basis prohibited by law in recruiting, hiring, placement, promotion, or any other condition of employment. We expect all suppliers to mirror this set of commitments, and to treat all persons,, customers, suppliers and others with respect and dignity.

Anti- Corruption and Bribery of Foreign Officials

The Company has zero tolerance for any corruption in its business activities. Bribes or other improper or unauthorized payments that directly or indirectly make, offer or promise to make, kickbacks, benefits, or advantages to any person, individual, organization, or entity, are prohibited by this Code.

Remuneration

Fair remuneration is a fundamental human right. Virtu Gem shall provide fair and equitable wages, benefits, and other conditions of employment in accordance with all applicable laws. We are committed to the principle of equal opportunities for all employees and subcontractors by providing a living wage and equal pay rewarding the employee's overall contribution to the company by respecting all 4 elements of the Fair Remuneration Framework: minimum wage, living wage, equal pay and gender pay gap.

Discipline

Our company may have to take disciplinary action against employees who repeatedly or intentionally fail to follow our code of conduct. Disciplinary actions will vary depending on the violation.

Possible consequences include:

- Demotion.
- Reprimand.
- Suspension or termination for more serious offenses.
- Detraction of benefits for a definite or indefinite time.

We may take legal action in cases of corruption, theft, embezzlement or other unlawful behavior. We provide fair rights of appeal and challenge to any employees so disciplined.

Child labour

Child labour, as defined by the International Labour Organisation (ILO) Convention is “work by children under the age of 12; work by children under the age of 15 that prevents school attendance; and work by children under of age of 18 that is hazardous to the physical or mental health of the child.

Virtu Gem prohibits all forms of exploitation of children in its own operations, and in its supply chain. We shall not source from any mines where there is child labor from any of our countries of operation. All miners and dealers working with Virtu Gem shall abide by our code of ethics that prohibits any form of child labor in the minerals supply chain. Any case of child labor shall report to the relevant Government authorities. Our country coordinators shall conduct periodic checks and follows with the miners to ensure compliance.

Virtu Gem expects its business partners and suppliers to have and uphold these standards and abide by all relevant laws and regulations in countries where they operate.

Diversity

We believe that differences should be valued. Every employee deserves the opportunity to work and grow in an environment that is free of discrimination and harassment, and that supports work/life flexibility. At Virtu Gem, diversity is embraced throughout the organization. In exchange, we will benefit from the creativity, varied perspective, innovation, and energy that result from a diverse workforce.

Conflicts of Interest

Shareholders, employees, and suppliers of Virtu Gem expect that business decisions are made in the best interest of the Company. Actions must be based on sound business judgment, and not motivated by personal interest or gain. Any situation that creates or appears to create a conflict of interest between personal interests and the interests of Virtu Gem must be avoided. Potential conflict of interest situations must be reported to an employee's manager and to the directors.

Product disclosure

Any alterations or treatments to the gemstones that are sold by Virtu Gem shall be fully disclosed and declared. Miners and dealers who have treated their gemstones are required to fully disclose the nature of treatment done on any of the gemstones.

No Rights Created

This Code is a statement of the fundamental principles and key policies and procedures that govern the conduct of the Virtu Gem's business operations. It is not intended to and does not create any obligations to or rights in any employee, director, client, supplier, competitor, shareholder or any other person or entity.

CONTACT US:

If suppliers are violating any of these Code elements, we would like to know about it. Please bring these issues to our attention by contacting us through email on info@virtugem.com. Please feel free to write in your local language. All information we receive will be kept in strict confidence and your identity protected.