



# **Responsible Sourcing: How the new RJC Code of Practices and key industry initiatives support a responsible supply chain**

**JCK Las Vegas  
30 May 2014**

# Agenda



## Introduction by

- Yancy Weinrich, Vice President for Luxury by JCK and JCK shows

## Welcome by

- James Courage, RJC Chairman and PGI Chief Executive Officer

## Introduction and panel moderation

- Catherine Sproule, RJC Chief Executive Officer, Interim

## Speakers

- Fiona Solomon, RJC Director – Standards Development
- Larry Drummond, President, Corporate Area VP Americas, Metalor Technologies USA Corporation
- Mark Hanna, Chief Marketing Officer, Richline Group, Inc.
- David Bouffard, Vice President, Corporate Affairs, Signet Jewelers Ltd
- Marcelle Shoop, Principal Adviser, External Relations, Rio Tinto Diamonds
- Jerry Ehrenwald, President and CEO, International Gemological Institute

## Q&A Session

# **Responsible Sourcing: How the new RJC Code of Practices and key industry initiatives support a responsible supply chain**

**Catherine Sproule  
RJC Chief Executive Officer, Interim**



## Mission, vision values – re-launched in 2013

### **RJC Vision**

Our vision is a responsible world-wide supply chain that promotes trust in the global fine jewellery and watch industry.

### **RJC Mission**

We strive to be the recognized standards and certification organization for supply chain integrity and sustainability in the global fine jewellery and watch industry.

### **RJC Values**

We are respectful and fair. We practice honesty, integrity and accountability. We engage in open collaboration.

## ... and growing

### **Membership:**

- 490 Members
- US\$47+ billion in annual relevant sales

### **Accredited Auditor firms:**

- 13 firms

### **Certification:**

- 350 Certified Members – growing daily

# From mine to retail

- Mine to retail initiative for the jewellery supply chain, covering diamonds, gold and platinum group metals
  - Averaging 20% pa growth in total Membership over the last 5 years
  - Members from across the supply chain, including businesses large and small
- RJC Membership in the USA:
  - Total Members 78 companies = approx 22% of RJC Certified Members
  - Facilities covered by RJC Certification in USA: 2,902
  - Greatly value the commitment of these leading companies in the USA

## Benefits of Joining the RJC



*Join a unique and global jewellery industry initiative that assures your customers that your products have been produced responsibly, and also*

- Enhances your company reputation
- Ensures you operate to international best practices
- Ensures your business complies with international legislation
- Builds confidence with your customers
- Engages with global industry leaders
- Provides involvement in a transparent supply chain approach
- Supports commitment to sustainable development
- Benefits include complimentary training to Members
- Contributes to consumer confidence, globally

*RJC has Certification documents available in 7 languages*



# **RJC Code of Practices 2013: Provenance claims and human rights due diligence**

**Fiona Solomon  
Director – Standards Development**



# COP 2013: New structure

## RJC CODE OF PRACTICES



GENERAL  
REQUIREMENTS



RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



LABOUR RIGHTS  
& WORKING CONDITIONS



HEALTH, SAFETY  
& ENVIRONMENT



DIAMONDS, GOLD  
& PLATINUM GROUP  
METAL PRODUCTS



RESPONSIBLE  
MINING SECTOR

## COP 2013: Major new requirements

### All Members

- Human Rights
- Reporting

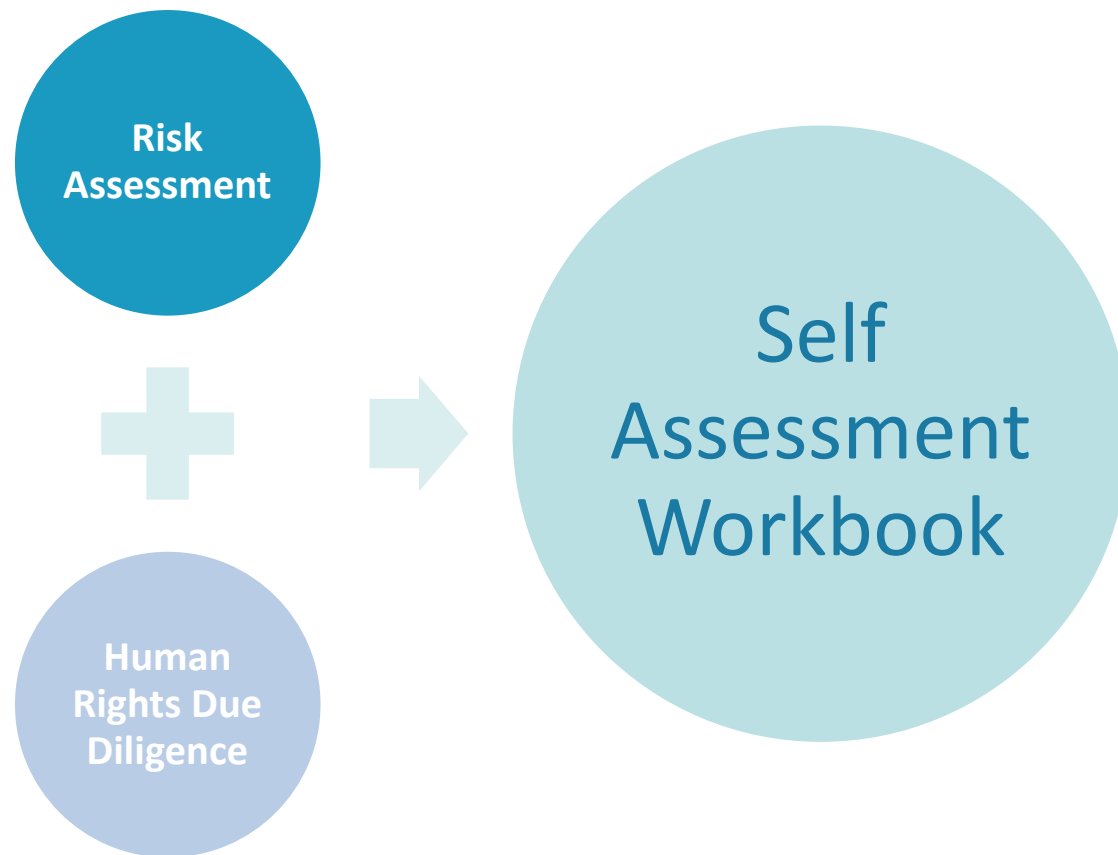
### If Applicable

- Sourcing from Conflict-Affected Areas
- Sourcing from Artisanal Mining
- Provenance Claims
- Grading and Appraisal

### Mining Sector

- Free Prior and Informed Consent
- Mercury

## New and Updated Excel Toolkits



## Member Support Framework

New Training  
Modules

Regular Topic  
Webinars

COP 2013

Workshops and  
Working Groups

Help Desk



RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



Responsible  
Jewellery  
Council

# RJC Code of Practices 2013

## Provenance Claims

Training Module - Extracts

## Key Elements

### Objective

- Claims made about provenance are backed up with evidence

### Scope

- Required for all Members who make Provenance Claims

### Types of Claims

- Must be about origin, source or practices

### Implementation

- Flexible - Member sets own criteria and process

### Audit

- Auditor verifies systems are in place and compatible with the claim

### Reporting

- Applicability of the provision noted by the RJC in the Certification Information

## Provenance Claims – COP requirements

If making Provenance Claims, Members need systems that include:

- Documented criteria or requirements that are compatible with claim/s
- Procedures for record-keeping and verification that these are met
- Controls to maintain material integrity, where applicable
- Training for relevant employees to ensure claim/s can be explained accurately
- Complaints or grievance mechanism, to manage any concerns/questions raised

## Working to support harmonisation

- Flexibility of this COP provision has been designed to provide opportunity for harmonisation/support for other programs, including:
  - Due diligence programs eg OECD DDG, EU law
  - Compliance programs eg Signet Responsible Sourcing Protocol (SRSP), Dodd Frank
  - Country of origin programs
  - ASM programs and initiatives
  - Supply chain practices eg ISO/SA8000 standards
- This provides additional benefit from RJC Certification and reduce multiple audit burden, especially where there are multiple customers/users of this assurance





RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



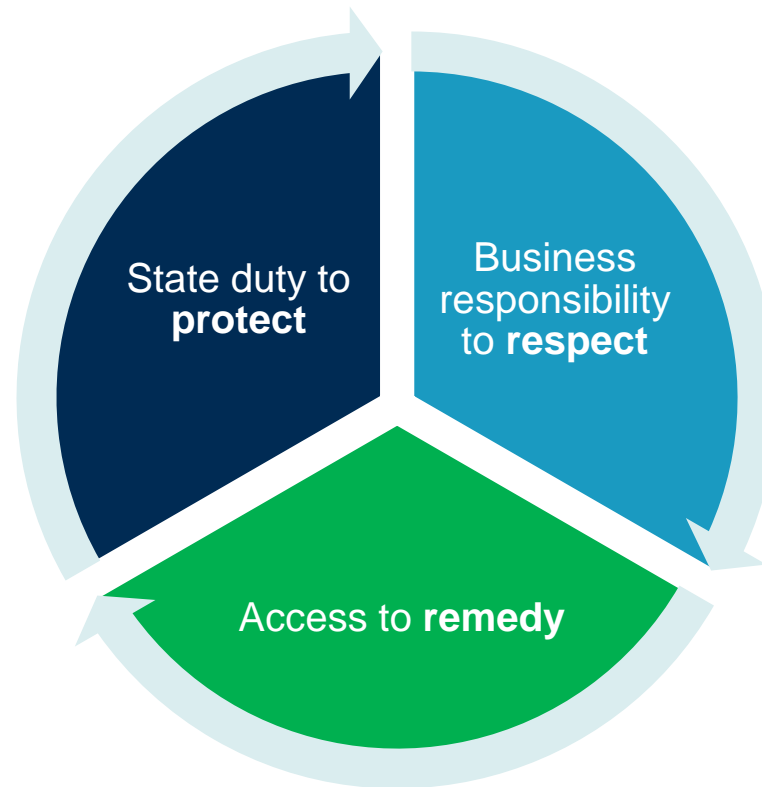
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Council

# RJC Code of Practices 2013

## Human Rights

Training Module - Extracts

# UN Guiding Principles on Business and Human Rights (2011)



## RJC Code of Practices 2013

- COP revision incorporates business responsibility to **respect** from UN Guiding Principles on Business and Human Rights.
  - Written policy on human rights (COP 6.1a)
  - Human Rights Due Diligence Process (COP 6.1b)
  - Remediation process, where this identifies human rights impacts (COP 6.1c)

# Which Human Rights? RJC HRDD Toolkit

<b>Labour Rights and Working Conditions</b> <i>•use the toolkit to confirm implementation of these core human rights-related COP requirements</i>	<b>Responsible Supply Chains and Human Rights</b> <i>•use the toolkit to review human rights risks with business partners and challenging situations</i>	<b>General Requirements</b> <i>•consider how well human rights considerations have been integrated in business systems</i>
General Employment Terms (COP 13)	Business Partners (COP 5)	Legal Compliance (COP 1)
Child Labour (COP 17)	Conflict-Affected Areas (COP 6.2)	Policy and Implementation (COP 2)
Forced Labour (COP 18)	Sourcing from Artisanal and Small-Scale Mining (COP 7)	Reporting (COP 3)
Freedom of Association and Collective Bargaining (COP 19)	Security (COP 11)	
Non-Discrimination (COP 20)	Other supply-chain specific risks	
Other business-specific risks		

## Key Messages

- The new and improved RJC COP provides the structure, tools and guidance for comprehensively addressing CSR in the jewellery supply chain
- New requirements on Provenance Claims will help provide rigour to B2B and consumer claims and reduce audit duplication for some
- New Human Rights requirements will help Members understand and address some of the more complex issues in their supply chain
- For those companies that are RJC Members – thank you for your commitment, and for those considering joining this initiative – there is no better time!

**Metalor Group:** The responsible precious metals company worldwide

Role of refiners in assuring conflict-free gold – why  
RJC CoC, and cross-recognition of refiner audits

**METALOR<sup>®</sup>**

## Swiss excellence

founded and headquartered in Switzerland

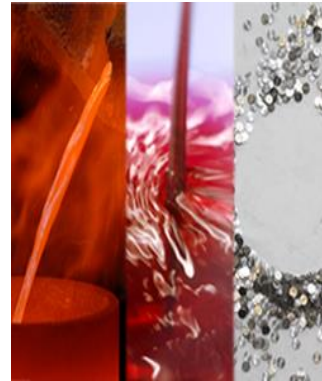


A unique know-how in the refining, the management and the transformation of precious metals since 1852



## A worldwide

presence in the US, South America, Europe and Asia with 32 sites in 17 countries



## 3 business units

Metalor Refining

Metalor Advanced Coatings

Metalor Electrotechnics

**METALOR<sup>®</sup>**

The largest  
multi-site  
gold refiner  
in the world





Compliant  
business  
practices:

Insuring  
conflict-free  
gold

RJC (Responsible Jewellery Council)

Member of the UN Global Compact

Metalor cooperates with the OECD

Metalor is a founding member of the  
Swiss Better Gold Initiative

Supply chain due diligence policy

Finma's (Swiss Financial Market  
Supervisory Authority) Precious Metals  
Control and Money Laundering Acts

LBMA (London Bullion Market  
Association)



LBMA  
GOOD DELIVERY  
REFINER



Eidgenössische Finanzmarktaufsicht FINMA  
Autorité fédérale de surveillance des marchés financiers FINMA  
Autorità federale di vigilanza sui mercati finanziari FINMA  
Swiss Financial Market Supervisory Authority FINMA



BETTER POLICIES FOR BETTER LIVES



**METALOR<sup>®</sup>**

Compliant  
business  
practices:

Insuring  
conflict-free  
gold

Metalor's Green Gold and Responsible Refining program

SEC (US Securities and Exchange Commission)

Dodd-Frank

LBMA and LPPM referee

Responsible Sourcing:  
Critical at the Refiner level  
where all traceability can  
become lost



**METALOR®**

2014  
Metalor USA is  
the first LBMA  
approved refiner  
achieving RJC  
CoC Mining  
certification



**METALOR®**

## Client focused

Collector, jewelry trade, or mining.  
Investing in customizing the right  
solution for our clients



## We give our clients

the ability to offer certified gold (and  
silver) with a certificate to prove it.  
Giving them a leading edge over  
another source.



Proud to promote  
responsible refining,  
safety, and conflict free  
material



As part of our values,  
we support global communities,  
environmental issues, human  
safety and human health.

**METALOR<sup>®</sup>**

# RJC CoC

## Setting us apart

Steers companies, shareholders, and employees to engage ethical practices

Helps shareholders and business partners to understand the company's principles and morals standards

Focuses a company to stay true to its social responsibilities

Encourages social efficiencies, particularly in regions where social awareness and values are inefficient

Builds a company's business reputation by advocating social awareness and encouraging others to do the same

Communicates the company's expectations to all business partners by demonstrating its commitment to social responsibilities

Metalor Group  
The ethical precious  
metals company

Thank you

[Larry.drummond@metalor.com](mailto:Larry.drummond@metalor.com)



**METALOR<sup>®</sup>**



# RICHLINE GROUP

*A Berkshire Hathaway Company*

LEADERSHIP. INTEGRITY. VISION

LEACH  GARNER®

RICHLINE BRANDS



# RICHLINE GROUP

*A Berkshire Hathaway Company*

**Did you ALWAYS consider  
your business and yourself ethical?**

**Did you EVER dream  
that our jewelry business would have so many regulations?**

**Did you EVER think  
that our jewelry business would have so many detractors?**

**Do you OFTEN feel  
like ensuring compliance is a full-time, costly job?**

**Do you NOW have  
the people or resources on hand to keep pace?**

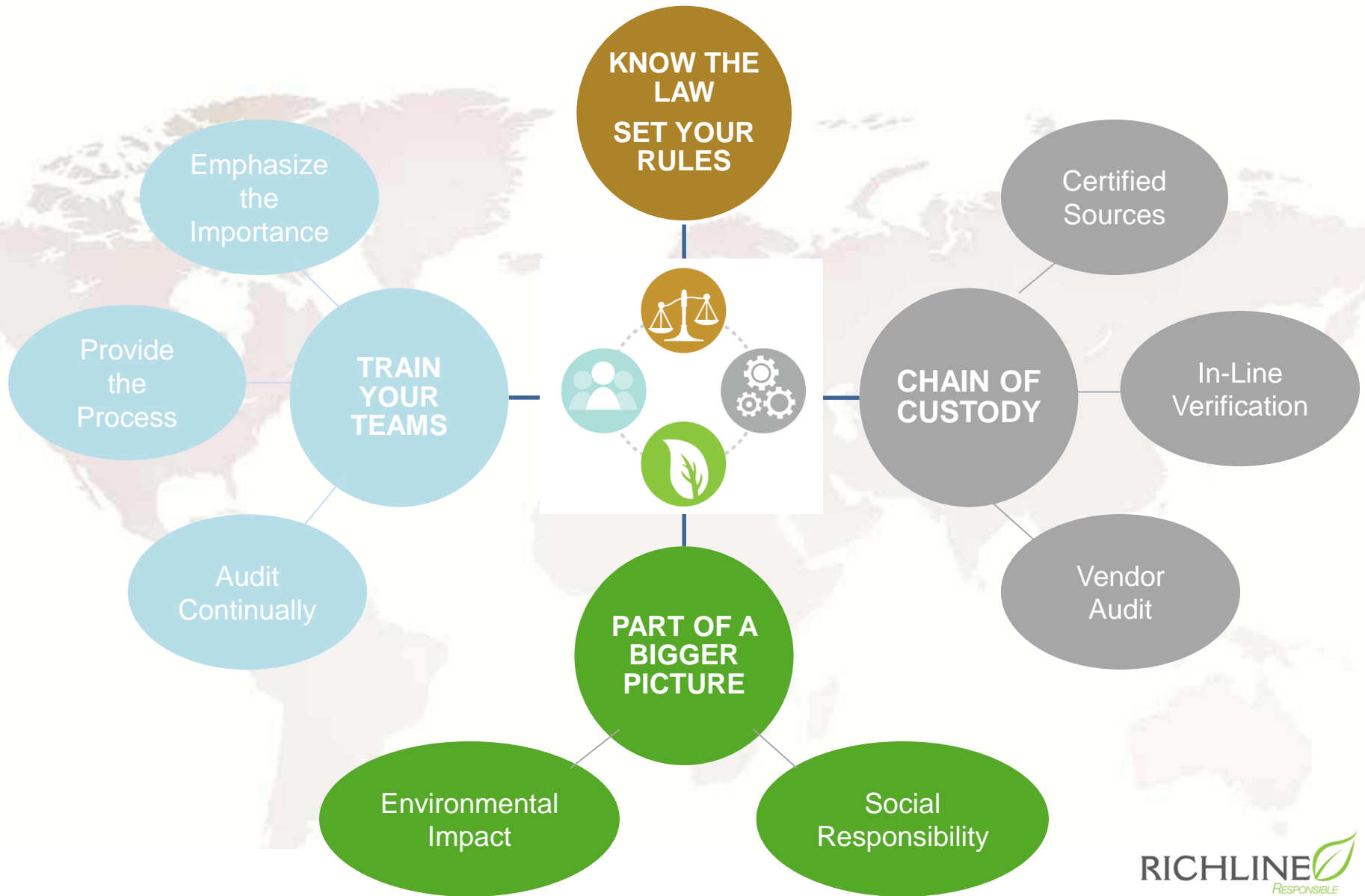


# RICHLINE GROUP

*A Berkshire Hathaway Company*



# The Keys to Harmonized Compliance



# Compliance Harmonization??

WGDE MJSA OECD BJA  
FJATA  
EPA WGM LBMA PFAC  
ILO JVC WDC AML WTO  
DOL NRC CPSC SEC WFTO  
UNGA EICC MH FTC  
FWS CPSIA HAZMAT KPSC  
FM SHRC RJC  
PROP65 WGC Dodd-Frank  
EE USPTO EOC CIBJO

# Starts With Getting it All in Focus!

**WGDE** MJSA FJATA OECD  
BJA EPA **WGM** LBMA PFAC  
ILO JVC WDC AML WTO EE  
UNGA EICC NRC NHFTC  
CPSC SEC WFTO FWS RJC  
CPSIA HAZMAT FMSHRC  
**PROPP65** DODD-FRANK **FOC**

# Conflict Minerals Compliance

## RULES & REGULATIONS

**DF**

**SEC**

**EU**

## GUIDELINES

**OECD**

**EICC**

**JVC**

**LBMA**

**WGC**

**SRSP**

**MJSA**

**RJC**

# Conflict Diamonds Compliance

## RULES & REGULATIONS

**KPCS**   **WTO**   **UNGA**

## GUIDELINES

**WDC**   **SRSP**   **WGM**   **RJC**  
**CIBJO**   **IDMA**   **JVC**   **OECD**

# Social Compliance

## RULES & REGULATIONS

ILO DOL NLRA

## GUIDELINES

EOC FLA EE RJC

CIBJO WFTO OECD

# US Regulatory Compliance

## RULES & REGULATIONS

**FTC CUSTOMS AML**  
**CPSC USPTO**

## GUIDELINES

**FJATA FWS CPSIA JVC**  
**FinCen OFAC PROP65**

**US Regulatory: OVER 500 Agencies Here**

<http://www.ecfr.gov/cgi-bin/text-idx?SID=9047b844febd841257ab7f9da6322d15&tpl=/agencylist.tpl>



# Health & Safety Compliance

## RULES & REGULATIONS

**EPA**

**OSHA**

**BJA**

**NRC**

**FMSHRC**

**NIH**

**HazMat**

# Audit Compliance

RJC ACCREDITED AUDITORS

**UL**      **DELOITTE**      **SCS**  
**RINA**      **ISOQAR**      **KPMG**  
**RCS**      **INTERTEK**      **SGS**  
**EY**      **VERITAS**



# State & Local Compliance

## RULES & REGULATIONS

**Consumer Protection**

**Product Liability**

**Department of Environmental Protection**

**Department of Health**

**Department of Environmental Conservation**

**Department of Labor**

**California Transparency in Supply Chains Act**

# NGO Compliance Scrutiny

## GUIDELINES

Enough Project, Global Witness

Amnesty International, IPHR

Earthworks, Global Action Plan

Witness

Etc., Etc., Etc.



# Retailer Citizenship Programs

## Guidelines and Requirements

**Signet Responsible  
Sourcing Protocol**

**Walmart Supplier  
Development Program**

**Pandora's CSR &  
Compliance Programme**

# NEXT:

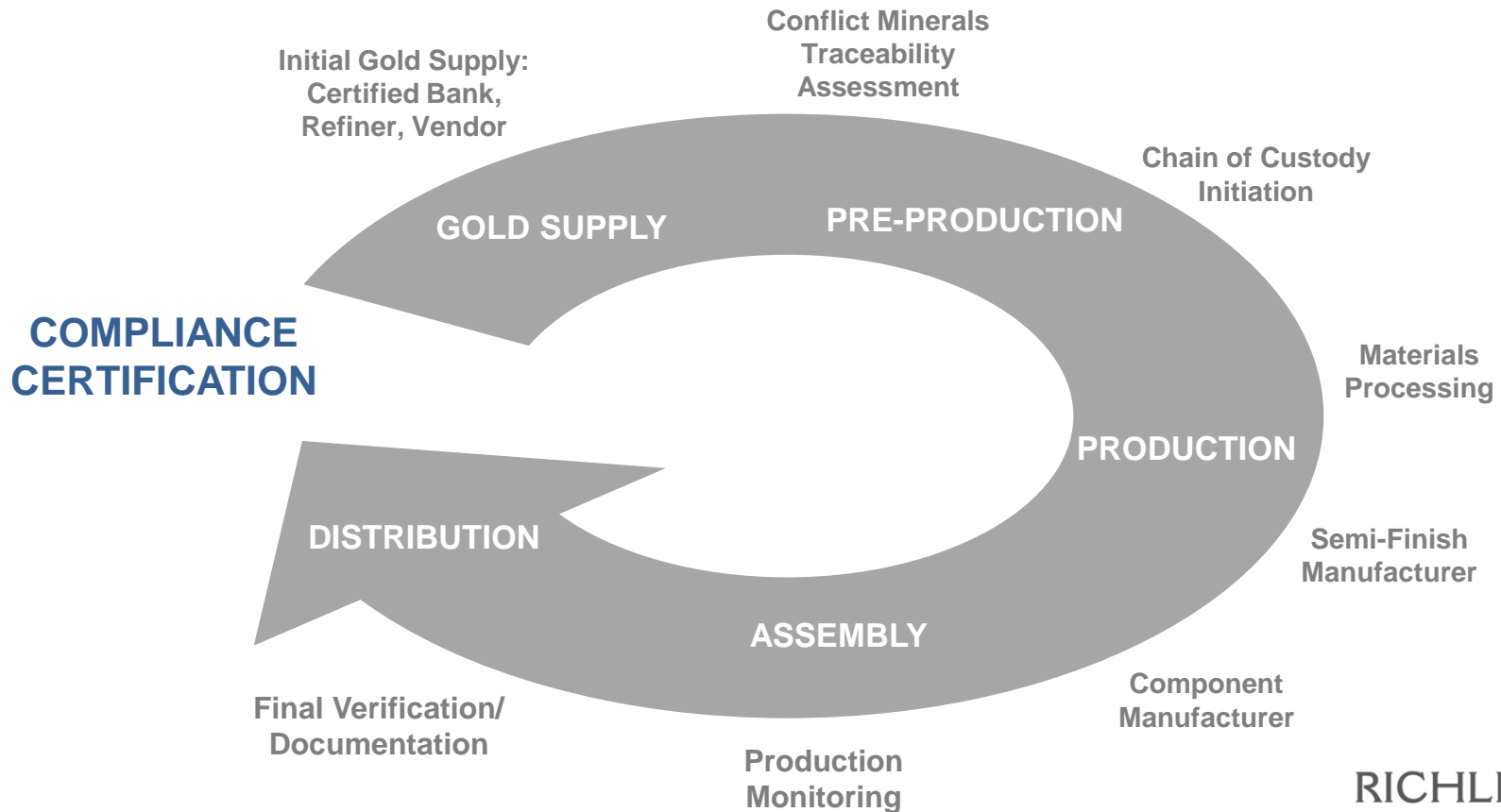
## Mine to Market: Chain of Custody



### END-TO-END RESPONSIBILITY



Sourcing • Custody • Compliance



# Mission Vision Values

## RJC VISION

Our vision is a responsible world-wide supply chain that promotes trust in the global fine jewelry and watch industry.

## RJC MISSION

We strive to be the recognized standards and certification organization for supply chain integrity and sustainability in the global fine jewelry and watch industry.

## RJC VALUES

We are respectful and fair. We practice honesty, integrity and accountability. We engage in open collaboration .



HEALTH, SAFETY  
& ENVIRONMENT



GENERAL  
REQUIREMENTS



RESPONSIBLE  
SUPPLY CHAINS  
& HUMAN RIGHTS



DIAMONDS, GOLD  
& PLATINUM GROUP  
METAL PRODUCTS



LABOUR RIGHTS  
& WORKING CONDITIONS



RESPONSIBLE  
MINING SECTOR

**Conflict Minerals Compliance**  
**Conflict Diamonds Compliance**

**Social Compliance**

**Health & Safety Compliance**

**Audit Compliance**

**NGO Compliance Scrutiny**

**RJC**

**RICHLINE**   
*RESPONSIBLE*





## RJC Code of Practices

An international standard on responsible business practices for Diamonds, Gold and Platinum group metals.

### The Code of Practices addresses:

human rights, labor rights, environmental impact, mining practices, product disclosure and many more important topics in the jewelry supply chain.

**VISION**

**VISIBILITY**

**Value**

**Compliance Harmonization**

# Industry Leadership and Certifications



**Certified Members Responsible Jewelry Council**

**Members of Jewelers Vigilance Committee**

**Members of Manufactures Jewelers Silversmith Association**

**Supporters of International Precious Metals Institute**

**Collaboration with UL for audit and verification of compliance and process**

**ISO14001:2004 Environmental Management Certificate**



**WE CANNOT DO IT ALONE!**





**THANK YOU**  
**for Your Consideration**

**RICHLINE**   
*RESPONSIBLE*

**Signet Jewelers Ltd.  
Commitment to Responsible Sourcing and the  
Responsible Jewellery Council**

**JCK Show, Las Vegas, May 30, 2014**



# Signet: #1 Specialty Jeweler in the U.S. & U.K.

**SIGNET**  
JEWELERS

**Total Sales \$4.209 Billion**

**84% U.S. / 16% U.K.**



**Kay Jewelers**  
#1 Jewelry store in U.S.  
Sales: ~\$2.1 billion  
Stores: 1,055 in 50 states

**Jared The Galleria Of Jewelry**  
#1 U.S. Off-Mall Specialty Jeweler  
Sales: ~\$1.0 billion  
Stores: 203 in 39 states



**H.Samuel**  
#1 in U.K.  
Sales: ~\$0.4 billion  
Stores: 304

**Ernest Jones**  
#2 in U.K.  
Sales: ~\$0.3 billion  
Stores: 189



**Note: Sales and store numbers for Fiscal 2014**

# Signet's Commitment to Responsible Sourcing



- Signet believes that a responsible supply chain is fundamental to the reputation of the jewelry industry and its future.
- Conflict-free gold has been a first step in a broader initiative of responsible sourcing.
- Signet has been active in the development of harmonized industry guidance and standards (e.g., OECD, RJC, LBMA, EICC, DMCC, etc.).
- Signet has produced global guidance for all suppliers of gold, called the Signet Responsible Sourcing Protocol (“SRSP”), which is aligned with these guidance and standards, and identifies compliance criteria to ensure Signet’s supply chain is conflict-free.
- Signet is also developing a SRSP for diamonds.
- Signet now has an expectation of RJC Membership within its supply chain.

# Signet's Commitment to RJC



- Signet is a proud Founding and Certified RJC Member.
- Signet is active in RJC committees, such as its Legal, Standards and Communications Committees, as well as, serving as Honorary Secretary.
- Signet has aligned its SRSP for gold with the RJC's new "Provenance Claim" provision – a first step in Signet's further commitment to RJC.
- Signet has also aligned its social/factory audits, if suppliers include these factories in their RJC certification scope.
- Signet's SRSP and factory/social audit costs may be waived if RJC audits coincide.
- Signet expects its suppliers to support that commitment:
  1. Signet suppliers which are existing RJC members
  2. SRSP compliant suppliers which should join RJC by the end of 2014
  3. Increase knowledge of RJC with all other suppliers



# RJC Benefits



*Join a unique and global jewellery industry initiative that assures your customers that your products have been produced responsibly, and also;*

- Demonstrates your company as a responsible supplier, able to sell to international markets by mitigating risk factors through standards
- Enhances your company reputation
- Ensures you operate to international best practices, especially from a financial perspective
- Ensures your business complies with international legislation
- Builds confidence with your customers
- Engages with global industry leaders
- Provides involvement in a transparent supply chain approach
- Supports commitment to sustainable development
- Ensures harmonization of international guidance and standards
- Benefits from complimentary training to Members and updates on global industry developments.
- Contributes to consumer confidence, globally

# RJC Provenance Claims and SRSPs



- The Provenance Claim provision in the new RJC Code of Practices enables Members that make Provenance Claims to have these audited as part of their RJC Code of Practices Certification. This is voluntary, RJC does not require Members to make Provenance Claims.
- Compliance to Signet's gold SRSP is an example of a relevant "Provenance Claim"
- If a Signet supplier which is an RJC Member includes a Provenance Claim ref the SRSP in their RJC Certification, the RJC Certification will suffice for Signet audit purposes (i.e. no need to do a subsequent Signet audit).
- The cost saving of not having to do the Signet audit will often cover the annual RJC membership costs.

# Signet RJC Expectation Plan: The Core Elements



## 1: Communications to Suppliers

Emails, Newsletters, Webinars, online portal, 1:1 follow-up

## 2: Reporting from Suppliers

Via online portal, email and 1:1 feedback

## 3: Trade Outreach

Trade Fairs, Trade Media

# Outreach Calendar: Trade Shows and Events



1. **Hong Kong:** Supplier 1:1 meetings, RJC seminar Mar '14
2. **Basel:** RJC seminar April '14
3. **JCK:** 1:1 meetings, closed supplier event, RJC seminar May '14
4. **IIJS Mumbai:** Supplier 1:1 meetings, RJC seminar July '14
5. **Hong Kong:** Supplier 1:1 meetings, RJC seminar Sep '14
6. **IJL London:** RJC seminar Sep '14
7. **New York:** Supplier 1:1 meetings, RJC seminar Jan '15
8. **Vicenza:** Supplier 1:1 meetings, RJC seminar Jan '15

# Online Portal for Suppliers



- A secure online portal for Signet's suppliers regarding RJC membership will go live in early June at [www.signetrjcproject.com](http://www.signetrjcproject.com)
- Access is through a secure log-on (username/password) provided by dedicated email, [info@signetrjcproject.com](mailto:info@signetrjcproject.com) Suppliers will receive log-on details by email in early June.
- Key benefits of the portal are:
  - Central point of communication to and from suppliers
  - Resource for suppliers, with Signet and RJC reference documents, links to RJC website, membership application details, FAQs etc.
  - Online survey so suppliers can update Signet on progress

# Online Portal, Screenshot

BROWSE PAGE

SIGNET-SP-PORTA\sp\_user15

SIGNET JEWELERS

Signet RJC Portal

Print

## Signet RJC Portal

- Home
- Supplier Survey
- RJC Documents
- Signet Documents
- Webinar
- RJC Website
- Contact Us/Help



Responsible Jewellery Council

Welcome to the Signet Jewelers Ltd. Site for Membership of the Responsible Jewellery Council.

This site provides support for Signet's Merchandise Partners as part of a multi-year initiative assisting direct suppliers and other participants in Signet's supply chain to become RJC Members. We hope content on this site will be useful, and we welcome your feedback. As a Founding and Certified Member of the Responsible Jewellery Council ("RJC"), Signet Jewelers Ltd. supports the goals of the RJC of ensuring a responsible supply chain and implementing responsible business practices throughout our industry. Signet firmly believes that the broadest possible degree of RJC industry membership, certification and participation over the long-term is vital towards ensuring consumer confidence in the products you produce and we sell, and we thank you for your support in this important project.

To determine the progress toward our supply chain goals, we invite you to complete the Supplier Survey. To do so, please click on the "Supplier Survey" link to the left. On the next page click on "Respond to this Survey." While it is best to complete the survey in one sitting, you can click on "Save and Close" and return to the survey later. Your answers will be saved for your future reference and you can download and/or print a copy for your records. If you have entered an incorrect answer you can also return to the survey and enter the correct information. Once you have answered all of the questions, please click on "Finish." Thank you for your cooperation and support.

*We have included information on this site designed to provide you with context and further details of this project as well as the goals of the RJC and Signet. To the left is a list of items we think you will find useful. You can access each one by clicking on the appropriate item.*

*They are:*

- **RJC documents.** These are materials provided by RJC that will explain some of the goals of the RJC and the benefits of membership, including how to apply for membership
- **Signet documents.** These explain the Signet Responsible Sourcing Protocols (SRSP) along with policies regarding our supply chain
- **Webinar.** This will take you to a recent webinar where Signet's project to support the RJC was explained to merchandise partners, which you can also use. The recording lasts around 30 minutes
- **RJC Website.** This is a direct link to the RJC's website

# Signet Expectation: RJC Members



For Signet suppliers which are already RJC Members:

- Act as ambassadors for RJC in Signet's supplier base.
- Cascade RJC Membership to your own direct suppliers, where applicable.
- Advise Signet project team of progress through online portal surveys.

# Signet Expectation: SRSP Compliant



- For Signet suppliers which are compliant with the SRSP for gold, but are not RJC Members:
  - Engage with RJC project, through webinars, events, etc.
  - Incorporate SRSP compliance as a RJC Provenance Claim
  - Join RJC by end 2014
  - Advise Signet project team of progress through online portal surveys



# Signet Expectation: Other Suppliers



- For Signet suppliers which are neither RJC Members nor SRSP compliant:
  - Engage with RJC project, through webinars, events etc.
  - Consider RJC Membership
  - Advise Signet project team of progress through online portal surveys

# Signet Jewelers Ltd. Commitment to Responsible Sourcing and the Responsible Jewellery Council

## JCK Show, Las Vegas, May 2014

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[www.signetjewelers.com](http://www.signetjewelers.com)

**Philip Olden**  
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RioTinto

# Rio Tinto Diamonds - India and Responsible Diamond Jewellery Supply Chain

Responsible Jewellery Council Panel – JCK 30 May 2014

# Rio Tinto Diamonds Business - India Diamond Jewellery Industry – In Partnership

## Diamond Cutting and Polishing in India

25-Year Presence

- ~ Half of Rio Tinto Select Diamantaires
- ~ Two-thirds of Rio Tinto’s Diamond production (by value) cut and polished



## Bunder Diamond Mine Project – Madhya Pradesh

- Most important diamond discovery in India in 40 years
- Employs ~350 people / ~80% from Madhya Pradesh
- Joint development programs with communities, governments and NGOs, such as UNICEF,

# Commitment to Responsible Supply Chain

Trust in our goods and services / Build better practices



## AMM - Engage Diamond Manufacturing

- Safe, clean, healthy working conditions
- Efficient manufacturing practices
- Worker motivation → stable work force

Training ~100 units /  
~15,000 workers



**EMPOWERING WOMEN**



RJC - JCK Panel



# Prominence of India - Diamond - Jewellery Supply Chain

- Estimated - 11 out of every 12 diamonds set in jewellery worldwide are processed in India
  - 92% of the world's supply in terms of pieces<sup>1</sup>
  - 85% in terms of volume
  - 60% in terms of value
- Sector consists of formal, as well as many informal units, and is affected by seasonal and market variations
- Workforce estimates in diamond cutting and polishing vary greatly
  - >125,000 registered workers in 532 units compared to ~413,000 / 710,000 Workers in - 2230 / 6,547 units<sup>3</sup>
  - Estimated 3.4 million employed in broader Gem & Jewellery Sector<sup>1</sup>

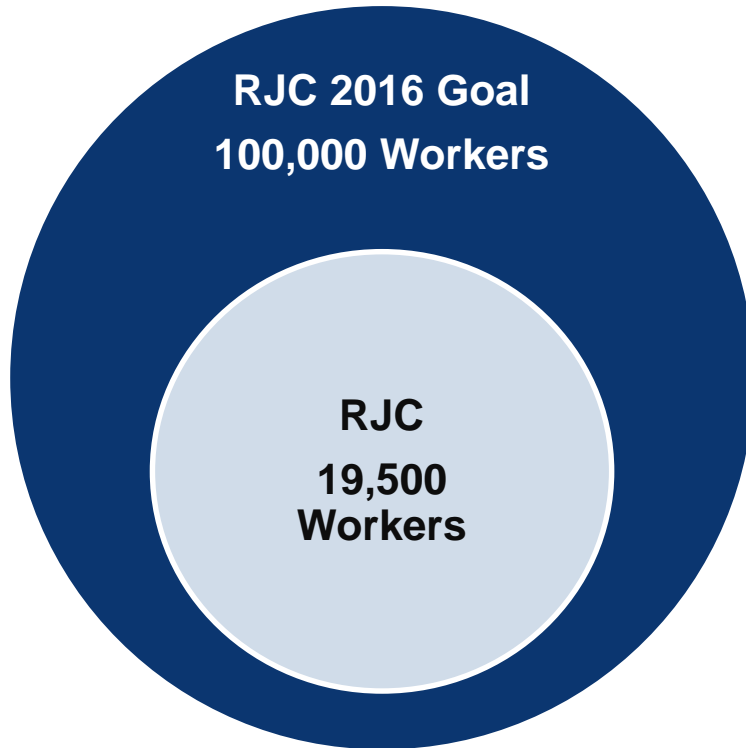


## India Consumer Demand

- Traditionally, a large gold consumer for jewellery and investment
- Growing consumer of diamonds<sup>2</sup>

References: 1) India Ministry of Commerce & Industry [2013 Diamond Sector Task Force](#); 2) Bain – AWDC 2013 Global Diamond Report, Journey through the Value Chain; 3) UNDP, 2009 [http://www.in.undp.org/content/dam/india/docs/diamond\\_final.pdf](http://www.in.undp.org/content/dam/india/docs/diamond_final.pdf) and Reserve Bank of India Task Force Feb 26, 2009

## Opportunities and Challenges - Fostering Responsible Supply Chain Practices



### RJC Increased Engagement in India, e.g.,

- India relevant guidance - COP 2013
- India Engagement Forum
  - Draw on local knowledge; build support for collaborative approach
- Member and Auditor Training
- Increasing India Presence
  - RJC Manager – Surat / Mumbai
- Relationship building with key partners
- Efforts to harmonize various initiatives

### Opportunities / Challenges

- Importance of self-determined business case
- Leadership from businesses that find value in certification
- Workable approaches for multiple layers of supply chain - informal and seasonal nature of units
  - Risk-based approach – focus on major risks
- Strategic partnerships

Thank you

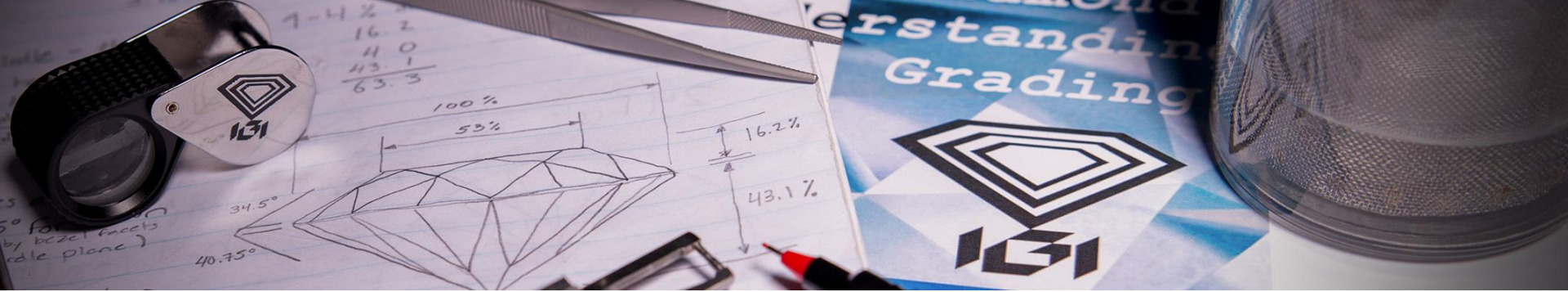




# **INTERNATIONAL GEMOLOGICAL INSTITUTE**

## **Spotlighting Synthetic Identification**

*IGI President & CEO Jerry Ehrenwald, G.G., A.S.A., A.A.A., N.A.J.A*



## IGI emphasizes:

- Education
- Imparting knowledge
- Greater transparency
- Consumer confidence





# INTERNATIONAL GEMOLOGICAL INSTITUTE

SCIENTIFIC LABORATORY FOR THE IDENTIFICATION AND GRADING OF DIAMOND AND COLORED STONES

## EDUCATIONAL PROGRAMS

Expertise issued by I.G.I. bvba  
Head Office and Laboratories.

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## DIAMOND REPORT

This report is a statement of the diamond's identity and grade including all relevant information.

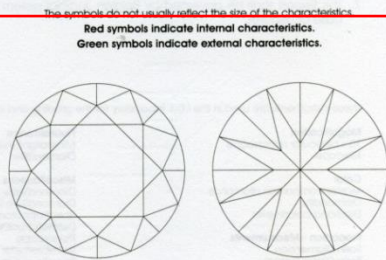
F4F12345

ANTWERP, February 8<sup>th</sup> 2007

### LABORATORY REPORT (ORIGINAL)

TO WHOM IT MAY CONCERN.

DESCRIPTION	<b>NATURAL DIAMOND</b>
SHAPE AND CUT	ROUND BRILLIANT
CARAT WEIGHT	1.10 CARAT
COLOR GRADE	G
CLARITY GRADE	VVS 1
CUT GRADE	EXCELLENT
POLISH	VERY GOOD
SYMMETRY	VERY GOOD
Measurements	6.67 – 6.70 x 4.02
Table	61.5%
Crown Height - Angle	13.5% - 35°
Pavilion Depth - Angle	43.5% - 41.0°
Girdle Thickness	MEDIUM (FACETED)
Culet	POINTED
Total Depth	60%
FLUORESCENCE	NONE



The symbols do not usually reflect the size of the characteristics.  
Red symbols indicate internal characteristics.  
Green symbols indicate external characteristics.

Insignificant external details, visible under high magnification only, are not shown



Security features included in this document are hologram, watermarked paper and additional features not listed, that, as a composite, exceed industry security standards.

CLARITY GRADE: Internally Flawless VVS<sub>1</sub> VVS<sub>2</sub> VS<sub>1</sub> VS<sub>2</sub> SI<sub>1</sub> SI<sub>2</sub> I<sub>1</sub> I<sub>2</sub> I<sub>3</sub>

COLOR GRADE: D E F G H I J K L M N O P Q R S-Z FANCY COLOR

PROPORTIONS - MARGIN: ± 1%  
MEASUREMENTS - MARGIN: ± 0.02mm

Identification

Carat

Color

Clarity

Cut



## Properties: Synthetic vs. Natural Diamond

Characteristic	Hardness	Specific Gravity	Refractive Index	Dispersion
Synthetic Diamond	10	3.52	2.42	0.044
Natural Diamond	10	3.52	2.42	0.044
Moissanite	9.25	3.21	2.60 – 2.70	0.104
Cubic Zirconia	8.50	5.65	2.15	0.060

### Synthetic production methods:

- High Pressure High Temperature (HPHT)
- Chemical Vapor Deposition (CVD)
- Nano-Polycrystalline Diamond (NPD)





## Laboratory Procedures





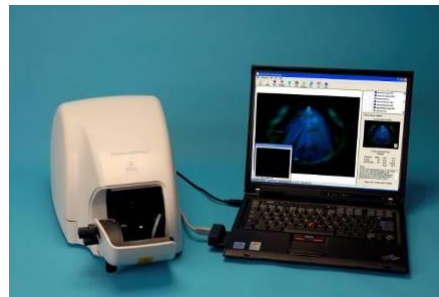
## DTC Verification Instruments



### **DiamondSure**

absorption

refers all synthetics for further tests  
refers type II and type lab diamonds



### **DiamondView**

surface fluorescence  
identification of synthetics



### **DiamondPlus**

photoluminescence  
screening of type IIa diamonds for  
HPHT treatment





## Infra Red (I.R.) Spectrometer







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 www.igilab.com

## LABORATORY GROWN DIAMOND REPORT

This report is a statement of the laboratory grown diamonds identify and grade including all relevant information.

**NUMBER** LG\_F5C13758      **ANTWERP, August 25, 2008**

**LABORATORY REPORT (ORIGINAL)**      **TO WHOM IT MAY CONCERN**

DESCRIPTION	LABORATORY GROWN DIAMOND
SHAPE AND CUT	SQUARE EMERALD CUT
WEIGHT	1.18 Carat
Measurements	5.91 x 5.86 x 3.83 mm
CLARITY GRADE	VVS
COLOR GRADE	VIVID ORANGY YELLOW
Fluorescence	NONE
FINISH	
Polish and Symmetry	VERY GOOD
Proportions	VERY GOOD
Table Diameter	63.5%
Crown Height	11.5%
Pavilion Depth	50.5%
COMMENTS	Laserscribe on Girdle: LABORATORY GROWN GEMESIS 138619




Diagram 1 and 2 are approximate representations of the stone. Girdle characteristics may not be shown.



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CLARITY GRADE	TABLE DIAMETER	DEPTH	PAVILION ANGLE	FLUORESCENCE	INCLUDED
VVS <td>63.5%</td> <td>50.5%</td> <td>50.5%</td> <td>NONE</td> <td>NO</td>	63.5%	50.5%	50.5%	NONE	NO

**MEASUREMENTS: 5.91mm x 5.86mm**

**REMARKS:** Laboratory grown diamond described in this Report has been graded, tested, analyzed, examined and/or included by International Gemological Institute (IGI). A laboratory grown diamond (LGD) is a diamond that has been grown in a controlled environment, rather than being mined from the earth. It is a diamond that has been grown in a laboratory setting, using high-pressure, high-temperature (HPHT) or chemical vapor deposition (CVD) processes. The report includes information regarding the diamond's origin, including the date of growth, the location of the laboratory, and the name of the laboratory. The report is subject to the terms and conditions of sale set forth above and on reverse.

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## Going forward:

- Commitment to promoting responsible, ethical industry practices
- Synthetic identification and disclosure
- Continuing education
- Reinforcing consumer confidence





**Questions?**

*Thank You*



## Questions and discussion



*Thank you for your participation today*

*RJC welcomes questions and comments*