

***Joining RJC Will Build Your Business in Major  
International Markets***

**Hong Kong International Jewellery Show  
7 March 2014**

# Agenda

Welcome by

- Benedict Sin, HKJJMA Chairman

Opening by

- James Courage, RJC Chairman  
and PGI Chief Executive Officer

Speakers

- Catherine Sproule, RJC Chief Executive Officer, Interim
- Charles Chaussepied, Piaget Director of Corporate Affairs,  
Richemont CSR Committee member,  
Chair, RJC Accreditation/Training Committee
- David Bouffard, Signet Jewelers Ltd. VP, Corporate Affairs,  
Co-Chair, RJC Standards Committee
- Q&A Session

*Cocktail reception hosted by RJC*



## 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:**

- 460+ Members
- US\$40+ billion in annual relevant sales

### **Accredited Auditor firms:**

- 12 firms
- 6 firms with audit scope in Hong Kong and China

### **Certification:**

- 327+ 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 Hong Kong and China:
  - Total Members at 14 = approx 3% of RJC Members
  - Certified Members, 9
    - Greatly value the commitment of these leading companies in China

# 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

# 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 from complimentary training to Members
- Contributes to consumer confidence, globally

*RJC has Certification documents available in simplified Chinese*







**Charles Chaussepied,**

**Piaget Director of Corporate Affairs,  
Richemont CSR Committee member,  
Chair, RJC Accreditation/Training Committee**

A. LANGE & SÖHNE  
GLASHÜTTE USA

BAUME & MERCIER  
MAISON D'HORLOGERIE GENEVE 1830

Cartier

IWC  
INTERNATIONAL WATCH CO. SCHAFFHAUSEN  
SWITZERLAND, SINCE 1868

JAEGGER-LECOULTRE

MONT  
BLANC

MANUFACTURE  
HORLOGERE  
VALFLEURIER

STERN  
Créations

VARIN-STAMPAGE  
STAMPAGE HAUT DE GAMME

OFFICINE  
PANERAI

PIAGET

RALPH LAUREN  
WATCH AND JEWELRY CO.

ROGER DUBUIS  
HORLOGER GENEVOIS

VACHERON CONSTANTIN  
Manufacture Horlogère, Genève, depuis 1755.

Van Cleef & Arpels

VEA

DONZE-BAUME

MANUFACTURE STERN  
Genève 1898

VARINOR  
FUSILAGE - FONDUE

# CSR risks on the gold and diamond supply chain – Update on supplier action plan



RJC-HK Conference

CONFIDENTIAL AND PROPRIETARY

RICHEMONT

# Our Maisons

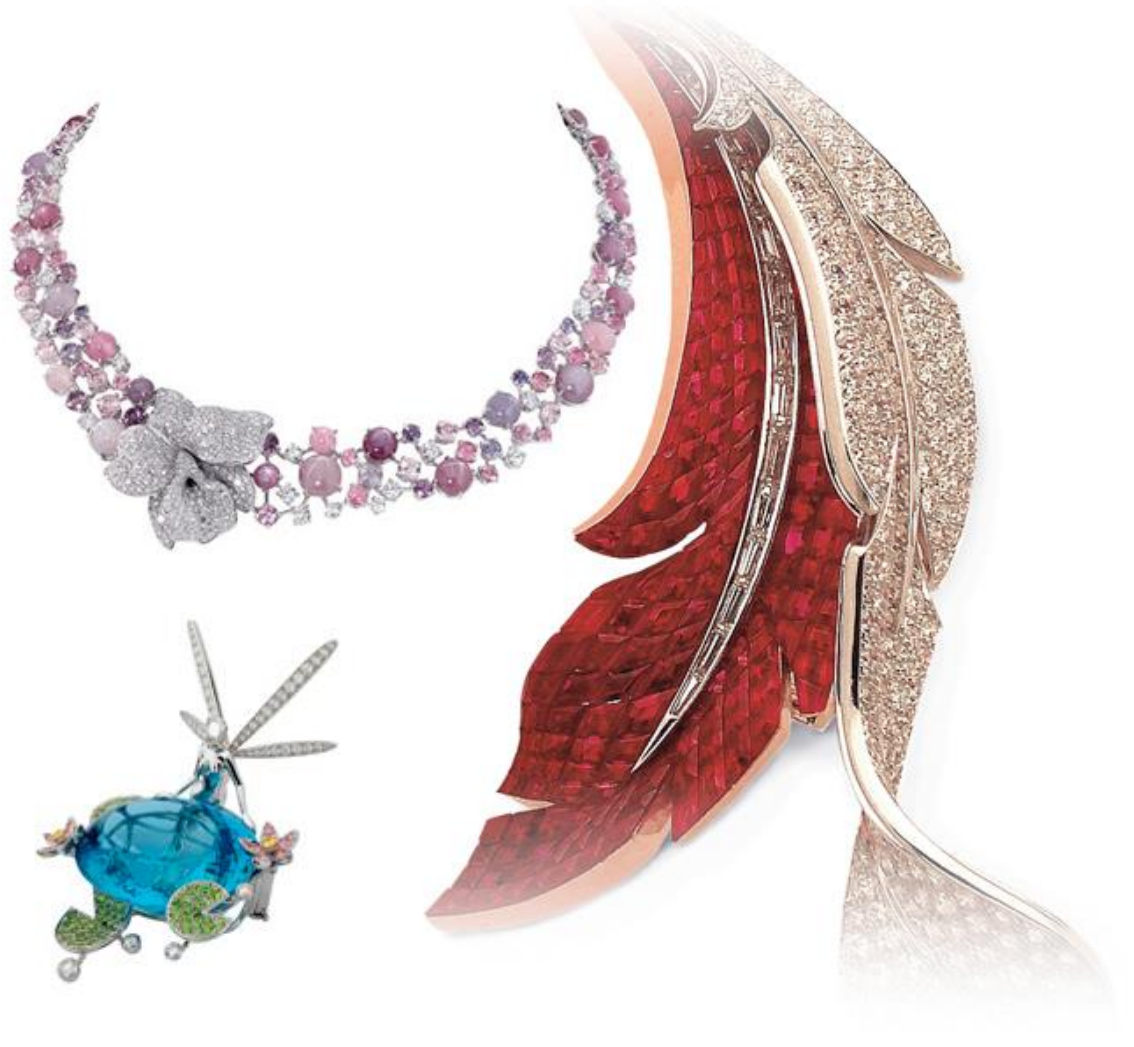
## Over 2,000 years of History

Year of foundation	Maisons	City of origin	Acquisition date
1755	Vacheron Constantin	Geneva	1996
1814	Purdey	London	1994
1830	Baume & Mercier	Geneva	Group founded in 1988
1833	Jaeger-LeCoultre	Le Sentier	2000
1845	A. Lange & Söhne	Glashütte	2000
1847	Cartier	Paris	Group founded in 1988
1860	Officine Panerai	Florence	1997
1868	IWC	Schaffhausen	2000
1874	Piaget	Geneva	Group founded in 1988
1876	Lancel	Paris	1997
1893	Alfred Dunhill	London	Group founded in 1988
1906	Van Cleef & Arpels	Paris	1999
1906	Montblanc	Hambourg	Group founded in 1988
1952	Chloé	Paris	Group founded in 1988
1983	Azzedine Alaïa	Paris	2007
1994	Shanghai Tang	Hong Kong	1995
1995	Roger Dubuis	Geneva	2008
2000	NET-A-PORTER	London	2010

# Jewellery Maisons

*Cartier*

Van Cleef & Arpels



# Specialist Watchmakers

PIAGET

A. LANGE & SÖHNE  
GLASHÜTTE 1/SA

JAEGER-LECOULTRE

VACHERON CONSTANTIN  
Manufacture Horlogère. Genève, depuis 1755.

OFFICINE PANERAI  
FIRENZE 1860

IWC  
INTERNATIONAL WATCH CO. SCHAFFHAUSEN  
SWITZERLAND, SINCE 1868

BAUME & MERCIER  
GENÈVE · 1830

ROGER DUBUIS  
HORLOGER GENEVOIS

Joint venture

RALPH LAUREN  
WATCH AND JEWELRY CO.



RICHEMONT



# Key Figures 2012

1'556 boutiques worldwide

<b>Cartier</b>	<b>298</b>
Alfred Dunhill	<b>225</b>
Montblanc	<b>376</b>
Lancel	<b>154</b>
Piaget	<b>82</b>
Van Cleef & Arpels	<b>90</b>
Chloé	<b>108</b>
Vacheron Constantin	<b>28</b>
Jaeger-LeCoultre	<b>43</b>
Shanghai Tang	<b>49</b>
Others (Panerai, IWC, Purdey, A. Lange & Söhne, Baume & Mercier, Azzedine Alaïa, Roger Dubuis)	<b>103</b>



# Corporate Social Responsibility

## Business Partners

Labour relationship and employment practices

Responsible environmental management

Industry specific issues

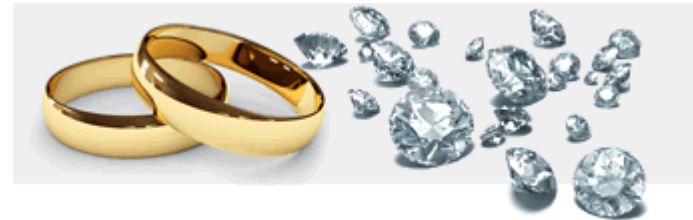
Ethical business principles

Maintaining confidence in the jewellery supply chain

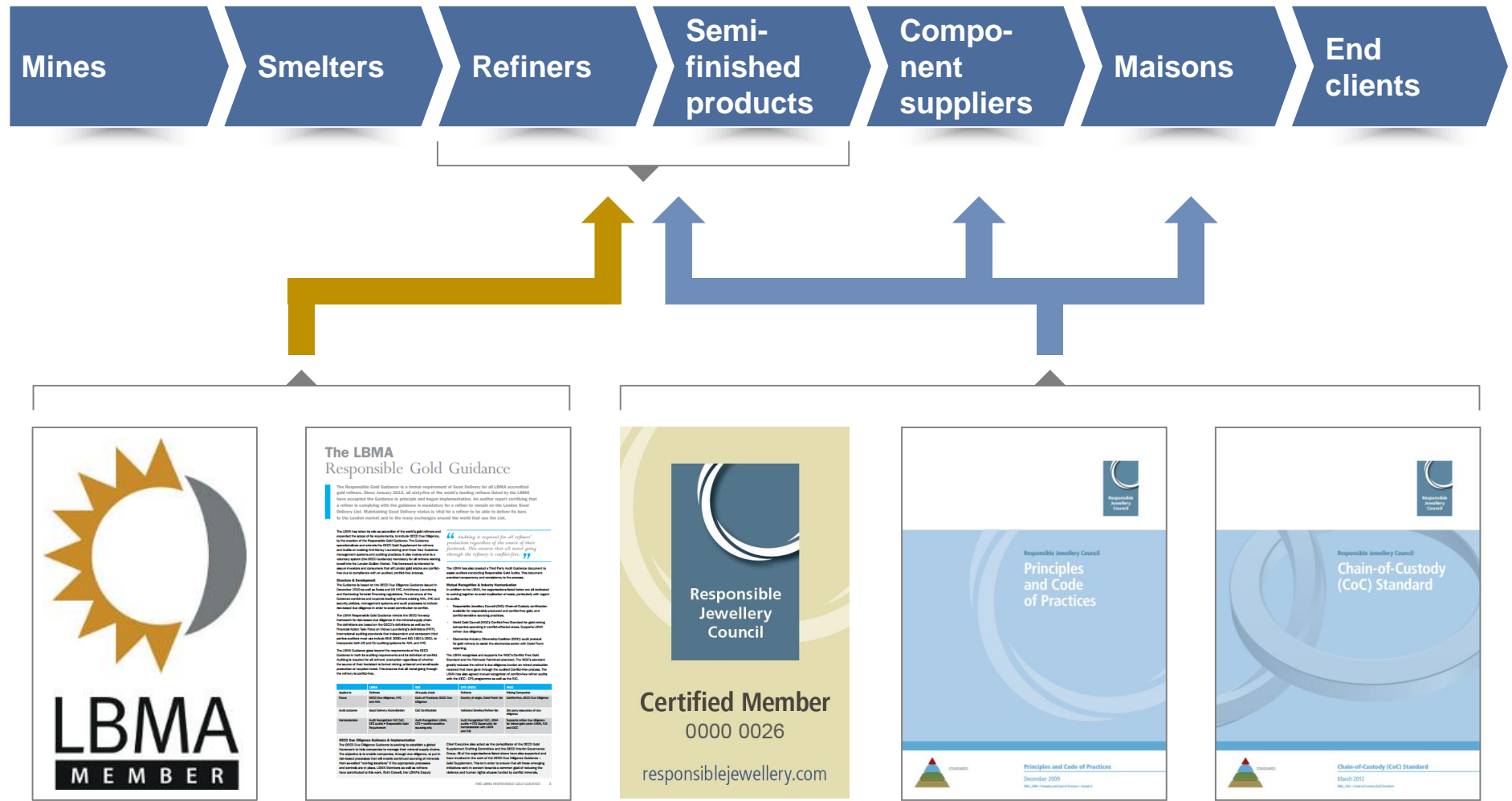
**Responsible gold sourcing, conflict-free diamonds**



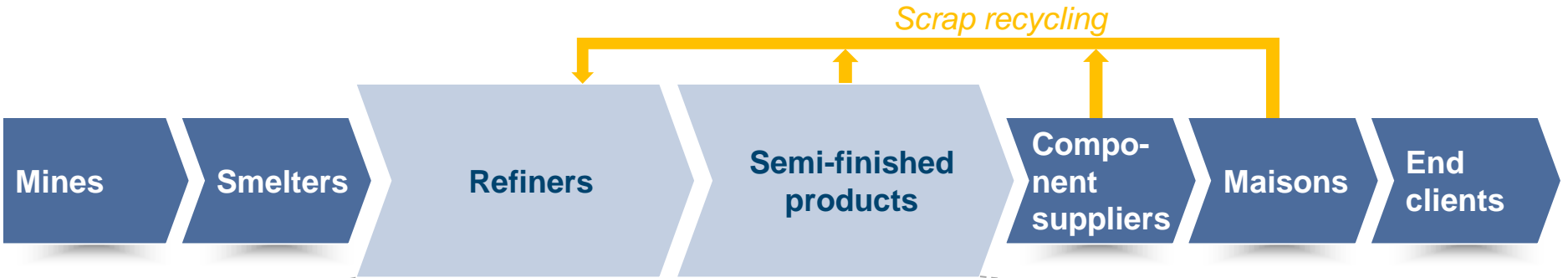
*Reinforcing confidence in the diamond and gold supply chain*




# Reminder – our traceability approach consists in relying on broad, official certifications across the value chain, wherever relevant and possible



# Refiners/ Semi-finished product manufacturers



		Certification				Recommandation
		RJC CoP	RJC CoC	LBMA	LBMA resp gold	
	■ Argor	✓	Ongoing <b>Full scope</b>	✓	✓	
	■ Metalor	✓	✓ (partial <sup>1</sup> )	✓		Maintain
	■ Precinox	✓		✓		Push for RJC CoC certification
	■ Varinor	✓	Ongoing			Maintain (only recycled gold)
	■ Valcambi	Ongoing		✓		Limit usage for RIC suppliers
	■ Allgemeine	✓		✓		TBD
	■ Cookson	✓				TBD

1 Certified only for recycling scrap sources

Time for questions ...

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**David Bouffard,**

**Signet Jewelers Ltd Vice President, Corporate Affairs,  
Co-Chair, RJC Standards Committee**

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

**David Bouffard, VP Corporate Affairs  
Hong Kong, March 2014**



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

**SIGNET**  
JEWELERS



**Kay Jewelers**  
#1 Jewelry store in U.S.  
Sales: ~\$2.0 billion  
Stores: 1,057 in 50 states

**Jared The Galleria Of Jewelry**  
#1 U.S. Off-Mall Specialty Jeweler  
Sales: ~\$1.0 billion  
Stores: 205 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: 179



**Note:** Sales for Fiscal 2013. Estimated store numbers Fiscal 2014-end.

# Signet's Commitment



- Signet believes that a responsible supply chain is fundamental to the reputation of the jewelry industry and its future.
- Signet is a founding and certified member of RJC.
- 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 (OECD, RJC, LBMA, EICC, DMCC etc).
- Signet has produced global guidance for all suppliers of gold – 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 now has an expectation of RJC Membership within its supply chain.

# Project Timeline of “SRSP”s

<u>Year</u>	<u>Key Activities</u>
<b>2011</b>	Research suppliers to understand supply chains Identify focal points in supply chain (esp. smelters/refiners, banks) Map Signet’s supply chain
<b>2012</b>	Build database of Signet’s gold & 3Ts supply chain Development of SRSPs and supplier testing Harmonization of SRSPs with industry guidance and standards Implementation of SRSPs, eff. 1/1/13
<b>2013</b>	SRSP compliance reporting Identify and support any non-compliant suppliers Establish audit criteria and test SRSP compliance report for full year 2013
<b>2014</b>	Audit of SRSPs, preparation of SEC documentation Establish ongoing operational procedures for suppliers Research potential of SRSP for diamonds



# SRSP Supplier Requirements



- Signet's suppliers are required to validate, certify and audit supplies of gold from every source used, including subcontractors.
- Suppliers need to pass on the same SRSP requirements to all subcontractors.
- After reporting compliance, include ***“The seller warrants that any products containing gold, tin, tungsten or tantalum have been supplied in compliance with the Signet Responsible Sourcing Protocol (‘SRSP’)”*** on all invoices, delivery notes and any other documentation accompanying future supplies to Signet.
- Some suppliers must provide an independent audit of compliance in Jan/Feb 2014 to validate their 2013 compliance claims.
- The SRSP for gold can be aligned with the RJC's new “Provenance Claim” provision.
- Signet SRSP auditor list is aligned with RJC, so audits can be mutually recognized and harmonized in future.

# Signet Supports Multi-Stakeholder Diamond/Precious Stones Initiative



- The Precious Stones Multi-Stakeholder Working Group (PS-MSWG) is an open, non-exclusive coalition of companies, associations, NGOs and governments interested in the issue of responsible sourcing for precious stones
- Key principles underlying the PS-MSWG include:
  - Preventing conflict financing and associated human rights abuses. The PS-MSWG believes that the jewelry industry must address this issue comprehensively and credibly
  - Enhanced efforts to advance responsible sourcing for precious stones should complement existing initiatives, such as the Kimberley Process Certification Scheme
  - The United Nations Guiding Principles are based upon voluntary due diligence as a key approach for business to identify and mitigate the risks associated with adverse human rights impacts

# Signet SRSP Diamonds



- Signet believes that a responsible supply chain is fundamental to the reputation of the jewelry industry and its future. We are selling an aspirational product. Consumers assume that our systems guarantee certain standards.
- Signet believes that if standards can be established for gold, it can be achieved for precious stones and diamonds too, both rough and polished, over time.
- Signet is therefore also researching the potential for an SRSP for diamonds.

# Signet's Commitment to RJC



- Signet is a founding and certified RJC Member.
- Signet is active in RJC committees.
- 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 expects its suppliers to support that commitment;
  - Signet suppliers which are existing RJC members
  - SRSP compliant suppliers which may join RJC
  - Focus on Signet suppliers in India and HK/China

- Failure to comply with required legislation in USA, and possible future legislation in Europe, will damage HK/Chinese manufacturers' export business.
- Signet's commitment to RJC, together with the SRSPs, will help HK/Chinese manufacturers to protect and grow export business.

**Thank you**





## Questions and discussion

Thank you for your participation today

RJC welcomes questions and comments.