



Reinforcing confidence in the diamond and gold supply chain

Council for Responsible Jewellery Practices

CODE OF PRACTICES

The Code of Practices of the Council for Responsible Jewellery Practices (CRJP) defines responsible ethical, social, human rights and environmental practices for businesses in the Diamond and Gold jewellery supply chain. The Code of Practices was formally adopted by the CRJP Board on 14 September 2006.

The Code of Practices is intended as a base code that is applicable to all businesses that are Members of the Council throughout the entire supply chain, from mine to retail. Additional modules for specific Sectors of the supply chain, such as mining, will be developed in coming months.

The Code of Practices builds on the CRJP's Principles, promulgated in May 2006. Together, the Principles and Code of Practices will constitute the foundations for the CRJP's Responsible Practices Framework and monitoring system, which will be completed in 2007.

The CRJP will implement its system allowing for the independent third party monitoring of Members' performance in January 2008.

The CRJP is grateful to all those institutions and individuals who participated in the public consultation process around the development of the Code of Practices.

Notes:

Throughout the Code of Practices the term "Member" relates specifically to CRJP Commercial Members.

All capitalised common terms are defined in the Glossary at the end of the Code.

Council for Responsible Jewellery Practices, Ltd

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Company Registration No. 05449042

BUSINESS ETHICS

1.1 Legal Compliance

1. Members will at all times comply with the Applicable Law relating to their business conduct.

1.2 Policy

1. Members must adopt a policy that supports achievement of this Code of Practices and make the policy publicly available. The Council will provide further guidance on this requirement in due course.

1.3 Bribery, Facilitation Payments and Gifts

1. In all business transactions that are carried out by them, or on their behalf, by Business Partners or Contractors, Members will prohibit Bribery in any form¹. 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. Members will consider Bribery risk as it applies to their organisation (including agents) to identify which areas pose high risks. Members will develop appropriate methods to monitor conduct of Employees and agents and eliminate Bribery based on this understanding.
3. Members 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. Members will make it clear 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. Members recognise that Facilitation Payments are prohibited under the anti-Bribery laws of most countries. Where they have not yet been able to eliminate them, Members 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 payments.

1.4 Money Laundering / Finance of Terrorism

1. Members, where required to do so by Applicable Law, must:
 - a. comply with national and, where appropriate, international accounting standards and
 - b. maintain annual independently certified and/or audited financial accounts; demonstrate that a properly qualified auditor carried out the audit to recognised international standards and that the appointment of the auditor was free of any bias or influence.

¹ See also provision 1.3. 5., relating to Facilitation Payments.

2. Members must comply with all Applicable Laws with respect to Money Laundering, terrorism financing, Bribery, corruption, smuggling, embezzlement, fraud, racketeering, transfer pricing and tax evasion. Members should be aware that international transactions might be subject to more than one jurisdiction.
 - a. Where no Applicable Law exists, members should comply with the provisions in the FATF 40 Recommendations and 8 Special Recommendations as applicable to the Designated Non-Financial Business Professions (DNFBP), i.e. dealers in Precious Metals and gemstones.
 - b. Cash or cash-like transactions should always take place in compliance with all Applicable Laws and where they occur above the relevant defined financial threshold, records need to be lodged with the relevant designated authority.
3. Members 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.

1.5 Kimberley Process

1. Members must not knowingly buy or sell Conflict Diamonds or assist others to do so.
2. Members, 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.
3. Members, where involved in buying and selling rough, polished Diamonds or jewellery containing polished Diamonds, must fully adhere to the principles of the World Diamond Council System of Warranties. Members are required to have systems in place so that all invoices for rough, polished Diamonds or jewellery containing polished Diamonds either bought or sold, contain the following affirmative “warranty” statement:

“The diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict 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.”
4. Members, where involved with the international trade of rough Diamonds, 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.
5. Members must keep records of all invoices for polished Diamonds and jewellery containing polished Diamonds carrying the World Diamond Council warranty statement.
6. Members must have systems in place so that they do not purchase from sources that do not provide the above statement on their invoices.
7. Members must not buy rough Diamonds from countries that have not implemented the Kimberley Process or regions that are subject to an advisory by a governmental authority that Diamonds are

emanating from, or are available for sale in, such region unless such Diamonds have been exported from such region in conformance with the Kimberley Process.

8. Members will inform all Employees of the business that buy or sell Diamonds about the Kimberley Process and government restrictions on the trade in Conflict Diamonds and the WDC System of Warranties.

1.6 Product and Materials Security

1. Members will take appropriate measures to ensure the physical integrity and security of product shipments.

1.7 Health Hazards

1. Diamond or Gold jewellery products sold by Members will be compliant with the applicable Health and Safety regulation and other regulations.

1.8 Product Integrity

1. **General:** Members 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 regulations exist, the CIBJO regulations should be viewed as the authoritative regulations beyond those requirements listed below.
2. **Proper Disclosure:**
 - a. Members 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
 - b. Proper disclosure must occur throughout the supply chain.
 - c. Members will not omit required information.
3. **Misrepresentation**
 - a. Members will not make any untruthful, misleading or deceptive statement, representation or material omission in the selling, advertising or distribution of any Diamond, Treated Diamond, Synthetic or Simulant, or any Gold product, in any medium, including the Internet.
 - Representation includes illustrations, descriptions, expressions, words, figures, depictions or symbols shown in a manner that may reasonably be regarded as relating to the substance.
 - 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.
 - Advertising includes directly or indirectly promoting the sale or use of a product
4. **Gold**
 - a. Members 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, Members will apply a Mark authorized to be applied thereto under Applicable Laws that truly and 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 authorized by the Applicable Laws or applicable international standards.

5. Treated Diamonds

- a. Members will disclose the fact that a Diamond has been Treated.
- b. A Treated Diamond must be disclosed as either "Treated" or with specific reference to the particular Treatment and the description must be equally conspicuous as and immediately preceding the word(s) "Diamond" or "Synthetic", as the case may be. Specifically:
 - i) 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.
 - ii) Any special care requirements that the Treatment creates must be disclosed.
- c. 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. Members will disclose the fact that a stone is wholly or partially Synthetic at all times.
- b. A Synthetic must only and always be disclosed as "Synthetic", "man-made" and/or "laboratory created" and the description must be equally as conspicuous and immediately preceding the word "Diamond".
- c. Any terms that may disguise the fact that a stone is Synthetic or that mislead the consumer in any way must not be used.
- d. Members will not use the words "real", "genuine" or "natural" to describe any Synthetic.
- e. Names of firms, manufacturers or trademarks are not to be used as descriptors for Synthetics, unless such names are clearly succeeded by the term "Synthetic", "man-made", and/or "laboratory created" as above.

7. Diamond Simulants

- a. Members 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. Members will not use the words "real" and "genuine" to describe any Simulant.
- c. Members 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. Members 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. Members will not use the word "flawless" or "perfect" to describe either:
 - i) 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
 - ii) any article of jewellery that contains any Diamonds that do not meet the definition of "flawless" or "perfect".
- c. Members 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.

2 SOCIAL PERFORMANCE

2.1 Legal Compliance

1. Members will at all times comply with the Applicable Law relating to their social conduct.

2.2 General Employment Practices: Member Organisations

1. Human Rights

- a. Members shall 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. Employee Contractual Relationships and Documentation

- a. Work performed for the Member will be on the basis of a recognised employment relationship established through Applicable Law and practice.
- b. Obligations to Employees under Applicable Law relating to labour or social security arising from the regular employment relationship shall 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, nor shall such obligations be avoided through the excessive use of fixed-term contracts of employment.
- c. Members 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.

3. Housing

- a. Where Members provide Employees with on-site housing, Members will maintain such housing to a reasonable standard of safety, repair and hygiene; and such housing will also provide sufficient and proper sanitation facilities, potable water and access to a power supply.

2.3 Child Labour and Young Persons

1. Members shall 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 146² 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 Compact³. Members shall promote education for Children covered under ILO recommendation 146 and Young Persons who are subject to local compulsory education laws or

² For the full text of referenced ILO Conventions / recommendations please see:
<http://www.ilo.org/public/english/standards/ipecc/publ/law/ilc/r1461973/>
<http://www.ilo.org/ilolex/cgi-lex/convde.pl?C138>

³ 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

are 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. Members shall maintain appropriate systems so that these standards are upheld.

2. Members shall provide adequate support to enable any children found to be in employment to attend and remain in school until no longer a Child. Child Labour Remediation processes shall 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. Members shall 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. Members shall employ Young Persons according to the requirements of Applicable Law, or if no such law exists, the provisions of ILO Convention 138 and recommendation 146. In particular, the business shall 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).

2.4 Forced Labour

1. Members will not use Forced Labour (including bonded, indentured or prison labour), nor restrict the freedom of movement of Employees.
2. Members will 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.

2.5 Health and Safety

1. Safe Working Environment

- a. Members will provide safe and healthy working conditions for all Employees. Appropriate procedures must be in place to prevent accidents and injury to health arising from, or linked to, the course of work activities and site operations at a Facility.
- b. Members shall employ systems so that staff are aware of specific role-related health and safety risks and hazards, and methods for appropriate protection from such hazards.
- c. Members shall install appropriate machinery guards and provide appropriate personal protective equipment (PPE) free of charge and ensure that it is worn as necessary.
- d. Members shall provide work stations that are designed as appropriate to the task performed to minimise occupational health risks such as repetitive strain.
- e. Members shall provide workplaces with adequate lighting, ventilation and air quality; safe noise levels; and comfortable temperatures. Workplace protections shall include:
 - i. extraction of dust, provision of adequate ventilation, or other appropriate measures, to protect workers from exposure to airborne particles;
 - ii. extraction and neutralisation of chemical fumes;

- iii. adequate and appropriate labelling and storage of all chemicals and cleaning materials, and,
 - iv. compliance with applicable laws on decibel levels, air temperatures and air quality.
- f. Members shall provide that all workplaces are adequately constructed and maintained to meet local building regulations.

2. Health and Safety Management Systems

- a. Members shall 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.
- b. Members shall ensure that serious health and safety incidents, as well as business response activity and outcome, are formally documented and investigated with the results of the investigation feeding into regular health and safety reviews and improvement plans.
- c. Members shall make clear information about health and safety available to Employees in an understandable form and in an appropriate language in written form. Relevant health and safety training shall be provided to all staff and updated as necessary. Training undertaken must be recorded and repeated for new and re-assigned Employees.

3. Hazardous Substances

- a. Members will not manufacture, trade, and/or use chemicals and Hazardous Substances subject to international bans or phase-outs due to their high toxicity to living organisms, environmental persistence, potential for bioaccumulation or potential for depletion of the ozone layer.
- b. Members shall employ alternatives to other Hazardous Substances used in production processes wherever technically and economically viable.
- c. Where use of Hazardous Substances cannot be avoided, Members shall employ appropriate measures to minimise the risk of Employee contact, such as: the provision (at no cost to Employees) of PPE, the use of appropriate containers, and the posting of safety notices. Members shall establish clear lines of responsibility for safety, security, release prevention training and emergency response in relation to Hazardous Substances used in operations.
- d. Members who are engaged in the cutting and polishing of Diamonds shall use cobalt-free Diamond-impregnated scaifes.
- e. All mining Members using cyanide in the recovery of Gold will comply with all aspects of the International Cyanide Management Code (2005) and will ensure applicable sites are certified to the International Cyanide Management Code (2005) within three years from the date of joining the Council for Responsible Jewellery Practices.
- f. Members shall avoid or minimise the release of Hazardous Substances, or, when avoidance and minimisation are not feasible, will reduce the release of Hazardous Substances transported, handled, stored and used for project activities.
- g. Members will advise workers of work-related hazards, as well as of the appropriate action to take in the event of an accident. Materials safety data sheets (or equivalent necessary information) will be clearly displayed 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.

Please note: Member practices relating to other Hazardous Substances (including Hazardous by-products from Gold mining), which are not specifically addressed within the text of the above provisions, will be covered within the Sector supplements, yet to be developed.

4. Fire Safety

- a. Members will install appropriate fire safety mechanisms including: fire fighting equipment; clearly marked, unlocked and unblocked emergency exits and escape routes; and emergency lighting in all Facilities.
- b. Members shall provide all Employees with training in fire safety and emergency procedures.
- c. Members shall ensure that emergency procedures and evacuation plans are clearly displayed throughout their Facilities and evacuation drills are regularly carried out.

5. First Aid

- a. Members will provide appropriate first aid provisions and equipment, and have these freely available at designated and clearly marked first aid points.
- b. Members shall provide appropriate training in first aid to known Employee representatives.
- c. Where appropriate, Members shall maintain adequate on-site health and medical facilities and make available procedures for transportation of more serious health concerns to local hospitals.

6. Sanitation and Hygiene

- a. Members shall maintain work places and all Facilities to an appropriate standard of hygiene at all times.
- b. Members will provide adequate clean and hygienic washing and toilet Facilities commensurate with the number and gender of staff employed.
- c. Members will provide safe potable drinking water and sanitary Facilities for food storage, which are easily accessible to all Employees.
- d. Members shall ensure that regular routine cleaning of premises is carried out.

2.6 Freedom of Association and Collective Bargaining

1. Members will not prevent workers from associating freely. Where laws prohibit these freedoms, Members will support parallel means of dialogue⁴.
2. Members will not prevent collective bargaining and shall adhere to collective bargaining agreements, where such agreements exist.

⁴ Text adapted from: ETI FOA and collective bargaining briefing document. March 2005.

There are several countries where possibilities for freedom of association are strictly controlled by law. For example, in China, Burma, Vietnam, Syria and Cuba.

In those countries in which freedom of association is denied by law, but only in those countries, the COP requires Member businesses to facilitate parallel means for independent and free association and bargaining, for example by supporting the establishment of other forms of independent representative structures for workers, such as health and safety committees.

2.7 Discrimination

1. **General:** Members shall not practice or condone any form of discrimination in the workplace in terms of hiring, remuneration, 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, physical appearance, HIV status, 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. **Maternity and paternity rights:** Members shall ensure that full maternity and paternity rights are respected according to the applicable laws.

2.8 Discipline and Grievance Procedures

1. Members shall not use corporal punishment under any circumstances.
2. Members shall uphold the dignity and human rights of Employees. In particular they 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.
3. Members will clearly communicate the business's disciplinary process and related standards on appropriate disciplinary procedures and Employee treatment and apply these equally to all management and staff.
4. Members will provide clear grievance procedures and investigation processes and clearly explain these to all Employees. Records of Employee grievances raised, investigation processes and outcome shall be maintained.

2.9 Working Hours

1. Hours of Work

- a. Members shall apply normal working hours that comply with applicable law and do not, on a regular basis, exceed a maximum of 48 hours per working week in accordance with ILO convention 1. Weekly rest and paid annual leave shall be provided in accordance with ILO conventions 14 and 132. 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 laws and should be planned so as to provide safe and humane working conditions.

2. Overtime

- a. If overtime is required for business needs, Members shall compensate overtime to their Employees according to Applicable Law and Sector regulations. Overtime shall be voluntary and be limited to a maximum of 12 hours in a week on a non-regular basis.

3. Special Leave, Annual Leave and Rest Days

- a. Members will provide Employees with all legally mandated leave, including maternity and paternity, compassionate and annual leave.
- b. Members will provide all Employees with at least one rest day in seven consecutive working days. 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 Laws and should be planned so as to provide safe and humane working conditions.

2.10 Remuneration

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

2.11 Community Impact

1. Community Contribution and Impact

- a. Members shall seek to support the development of the communities in which they operate through support of community initiatives.

2. Use of Security Guards / Military Protection

- a. Members will use armed security personnel only when there is no acceptable alternative to manage risk or to ensure the personal safety of Employees.
- b. Members shall ensure that all armed personnel respect the human rights and dignity of all people and use the minimum force proportionate to the threat.
- c. Members shall ensure that, in situations of ongoing unrest or conflict, security personnel shall receive appropriate training to ensure the respect of the provisions in this Code of Practices according to standards and principles defined in the Voluntary Principles on Security and Human Rights (2000).

3 ENVIRONMENTAL PERFORMANCE

Note: the following section constitutes the proposed baseline code for all businesses operating within the Diamond and Gold supply chain. Additional requirements for specific Sectors (e.g. mining) will be developed in separate Sector supplements.

3.1 Legal Compliance

1. Members will at all times comply with the Applicable Law relating to their environmental conduct.

3.2 Waste

1. Control of Hazardous Waste Substances

Note: see also section 2.5 of Social Performance

- a. Members shall, wherever appropriate, introduce management and operating systems to minimise use of potentially environmentally damaging materials.
- b. Members shall seek to minimise the quantity of any hazardous waste that is produced through their operations.
- c. Members will dispose of hazardous waste substances in compliance with applicable law.

2. Air and Water Emissions

- a. Members shall seek to decrease emissions to air and water, relative to production output.

3. General Waste Management

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

3.3 Energy Use and Natural Resources

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

3.4 Transportation

1. In cases where transportation of people, goods and materials is a significant business impact, Members shall seek to identify and implement practices that reduce use of fossil fuels and associated greenhouse gas emissions from transportation.

3.5 Product and Packaging Design

1. Members shall seek to factor appropriate environmental considerations into the development of their processes, technologies, and, where relevant, product and packaging, in order to reduce environmental impact as viewed from a full life-cycle perspective from design to disposal.

GLOSSARY

Term	Definition
Accountability	<p>Accountability comprises:</p> <ul style="list-style-type: none"> • <i>Transparency</i>: accounting to stakeholders. • <i>Responsiveness</i>: responding to stakeholder concerns. • <i>Compliance</i>: complying with legal requirements, standards, codes, principles, policies and other voluntary commitments. <p>These aspects of Accountability may have very different drivers, such as legal compliance, stated policy commitments, reputation and risk management, and the company's sense of moral and ethical duty.</p>
Applicable Law	<p>Compliance with "Applicable Law" refers to compliance with the national and/or state and/or local laws of the country or countries in which the Member operates.</p> <p>Where no relevant national, state or local law exists, and there is a clear public interest in a standard being applied to Members operating in those countries, the Council may identify an appropriate, consistent and proportionate international or industry standard that must be adhered to.</p>
Bribery	<p>The offering, promising or giving, as well as demanding or accepting of any undue advantage, whether directly or indirectly, to or from:</p> <ul style="list-style-type: none"> • A public official; • A political candidate, party or official; or • Any private sector Employee (including a person who directs or works for a private sector enterprise in any capacity)
Business Partner	<p>An organisation or business Entity (a supplier and/or buyer) with which an Entity has direct business relations (excluding end consumers, but including joint venture operations where the Entity has a minority stake) and that buys and/or sells a product or service that directly contributes to the extraction, manufacture or sale of Diamond and Gold jewellery products.</p> <p>For the avoidance of doubt, this does not include Entities that provide support products and services, e.g. equipment, office supplies and utilities. Nor does it include Entities that provide separate components not part of the Diamond and Gold supply chain, such as batteries, springs and similar items.</p>
Child	<p>Any person younger than 15 years of age, unless local national / local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply. If, however, the local national / local minimum wage is set at 14 years of age, in accordance with the developing countries exceptions under ILO convention 138, the lower age would apply.</p>
Child Labour	<p>Any work by a Child younger than the age(s) specified in the above definition of a Child, except as provided for by ILO Recommendation 146.</p>
Conflict Diamond	<p>Rough Diamond used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments, as described in relevant United Nations Security Council (UNSC) resolutions insofar as they remain in effect, or in other similar UNSC resolutions that may be adopted in the future; and as understood and recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future.</p>

Term	Definition
Continuous Improvement	Implementation of a systematic change or solution to promote both immediate and ongoing improvements with respect to ethical, social, human rights and environmental issues in the Diamond and Gold supply chain.
Contractor	See Business Partner
Diamond	A natural mineral consisting essentially of pure carbon crystallised with a cubic structure in the isometric system. Its hardness in the Mohs scale is 10; its specific gravity is approximately 3.52; it has a refractive index of 2.42; and it can be found in many colours.
Employee	An individual who has entered into or works under a contract of employment, a contract of service or apprenticeship, whether express or implied, and (if it is express) whether oral or in writing, or as defined by Applicable Law.
Entity	<p>A business or similar which is controlled by the Member with many Facilities and or subsidiaries and associates, where “control” means;</p> <ol style="list-style-type: none"> 1. direct or indirect ownership, or control (alone or pursuant to an agreement with other Members) of 50% or more of the voting equities/rights (or equivalent) of the controlled Entity; and/or 2. direct or indirect (including pursuant to an agreement with other Members) power to remove, nominate or appoint at least half of the Members of the board of the directors or management (or equivalent) of the controlled Entity; and/or 3. day-to-day or executive management of the controlled Entity; or 4. any legally recognised concept of “control” analogous to those described in (1) to (2) above in a relevant jurisdiction. <p>Although the above defines “control” in a corporate context, the same principles will apply by analogy to other organisational arrangements, including Franchisees, Licensees and control by an individual or a family, where applicable.</p> <p><i>Note: for the purposes of Council Monitoring, the Entity will include only those Facilities involved with Diamonds and/or Gold (with potential for use in jewellery) where there is more than 50% control by the parent organisation.</i></p> <p>The Entity will constitute part or whole of the Member.</p>
Facilitation Payment	Small payments made to expedite the performance of a routine governmental action to which the enterprise is entitled.
Facility	<p>A Facility is either an independently functioning or geographically independent part of an Entity, which is “controlled” by the Member, as “control” is defined above (see “Entity”).</p> <p><i>Note: for the purposes of Council Monitoring, the Entity will include only those Facilities involved with Diamonds and/or Gold (with potential for use in jewellery) where there is more than 50% control by the parent organisation.</i></p>

Term	Definition
Fit for Work	"Fit for Work" means that individuals are in a state (physical, mental and emotional), which allows them to perform their assigned duties effectively and in a manner that does not threaten their own or others' safety and health.
Forced Labour	All work or service that is extracted from any person under the menace of any penalty for which said person has not offered himself/herself voluntarily or for which such work or service is demanded as means of repayment of debt.
Franchising / Licensing	Arrangement whereby a Member's intellectual property rights are licensed to third parties ("Facilities") not controlled by the Member as "control" is defined above (see "Entity") for the purposes of enabling those Facilities to produce, market or sell all or part of products or services that contain a Member's brand name, trademark or other intellectual property.
Gold	A rare yellow metallic element with the chemical symbol "Au". It is a mineral with specific hardness of 2.5-3 on the Mohs scale of hardness and the atomic number 79. Gold purity is measured by carat: one carat being 1/24th part by weight of pure Gold.
Hazardous Substance	Any material that poses a threat to human health and/or the environment.
Indigenous Peoples	Social groups with a social and cultural identity distinct from the dominant society in the vicinity, which makes them vulnerable to being disadvantaged in the development process.
Mark	Any mark, sign, device, imprint, stamp, brand, label, ticket, letter, word or figure.
Member	A Member is an organisation registered with the Council (i.e. meeting the criteria for Membership and admitted as a Member) under one of the Council membership categories. A Member may contain one or more Entities and/or Facilities constituting a single organisational grouping. The scope of the Member organisation will be defined by each Member but should cover all areas of Diamond and Gold activity within the business.
Money Laundering	The introduction of illegally gained assets into the legal financial system with the aim of concealing or disguising their true origin. The source of illegally obtained funds is obscured through a succession of transfers and transactions in order that those same funds can eventually be made to reappear as legitimate income. Terrorist financing is the financial support, in any form, of terrorism or those who encourage, plan or engage in it. The common trait between Money Laundering and terrorist financing is concealment.
Monitor	A person or organisation trained and accredited by the Council to perform Monitoring.
Monitoring	Assessment conducted by an independent third party at the Facility level, of an organisation's conformance levels against the Code of Practices.
Pollution	The presence of a substance in the environment that because of its chemical composition or quantity prevents the functioning of natural processes and produces undesirable environmental and health effects.
Precious Metal	Gold, palladium, platinum, silver and an alloy of any of those metals; and any other metal and an alloy thereof that is designated by relevant regulations as a Precious Metal.
Remediation	Implementation of a systemic change or solution to ensure immediate and ongoing remedy to an area of non-conformance with the Code of Practices.

Term	Definition
Sector	<p>A distinct part of the Gold and Diamond jewellery supply chain. The Council currently identifies the following Sectors amongst its membership:</p> <ul style="list-style-type: none"> • Gold and/or Diamond miner • Gold trader, hedger or refiner • Diamond trader and/or cutter and polisher • Gold and/or Diamond jewellery manufacturer • Gold and/or Diamond jewellery wholesaler • Gold and/or Diamond jewellery retailer • Bank or other service industry to the Diamond and/or Gold industry (e.g. shipper, broker) • Trade association involved in whole or part in any of the Sectors above
Simulant	<p>A Diamond Simulant is any object or product used to imitate Diamond or some or all of its properties and includes any material that does not meet the requirements specified in the definition of Diamond in this glossary.</p>
Supplier	<p>See Business Partner</p>
Synthetic	<p>A Synthetic Diamond is any object or product that has been either partially or wholly crystallised or re-crystallised due to artificial human intervention such that, with the exception of being non-natural, the product meets the requirements specified in the definition of Diamond in this glossary.</p>
Treated Diamond	<p>A Treated Diamond is any object or product that meets the requirements specified in the definition of Diamond or Synthetic in this glossary, which has been subject to a Treatment as defined in this glossary.</p>
Treatment	<p>Treatment means any process, treatment or enhancement that changes, interferes with and/or contaminates the natural appearance or composition of a Diamond, other than the historically accepted practices of cutting and polishing. It includes colour (and decolourisation) treatment; fracture filling; laser and irradiation treatment; and coating.</p>
Quality Mark	<p>A mark indicating or purporting to indicate the quality, quantity, fineness, weight, thickness, proportion or kind of Precious Metal in an article.</p>
Young Person	<p>Any worker over the age of a Child, as defined in this glossary, but under the age of 18 years.</p>