



ROSY BLUE

MORE THAN DIAMONDS



CODE OF
CONDUCT FOR BUSINESS
PARTNERS

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FOREWORD



Rosy Blue¹ has a long history of conducting business responsibly and ethically. This has played a key role in helping us develop the global family business you see today. We must therefore continue to live up to the high ethical standards we have committed ourselves to and fully comply with all relevant laws and regulations wherever we operate.

Since 2005 we are a founding member of the Responsible Jewellery Council². In June 2008, Rosy Blue signed the United Nations Global Compact³, enhancing our commitment to promote the ten universally accepted principles covering human rights, labour standards, environmental protection and anticorruption.

Our corporate values are diversity, integrity and accountability. Acting with responsibly is at the heart of the way we operate and behave in all our business dealings, from diamond manufacturing operations to retail. Rosy Blue is committed to ensuring that working conditions in its supply chain are safe and environmentally friendly, and that workers are treated with respect and dignity. In order to meet this standard, Rosy Blue expects each of its Business Partners to operate and act in full compliance with this Code and all applicable laws and regulations. Rosy blue expects that Business Partners will hold their suppliers and other third parties to the same standards, and as such this Code also applies to affiliates and subcontractors of Business Partners and to their respective facilities to the extent those facilities supply goods and services for ultimate sale to or use by Rosy Blue.

Fundamental to adopting our Code is the understanding that a business, in all of its activities, must operate in full compliance with the laws, rules and regulations of the countries in which it operates. This Code encourages our Business Partners to go beyond legal compliance, drawing upon internationally recognized standards, in order to advance business, social and environmental responsibilities.

Working together with you, our business partners, we are confident that we can build a sustainable diamond and jewellery industry that goes beyond simply what is required. We believe that partnerships based on full transparency and collaboration are the only way to boost responsible and sustainable practices.

Thank you for joining us in this effort.

Mr. Ravikumar Bhansali

Managing Director

¹Rosy Blue is a common trading name used by a network of business alliance entities, which are distinct, privately owned and independently managed.

²<http://www.responsiblejewellery.com>

³<http://www.globalcompact.org>



CORPORATE
VALUES

DIVERSITY,
INTEGRITY AND
ACCOUNTABILITY

1. COMMITMENT TO BUSINESS ETHICS



Rosy Blue commits itself to the highest standards of product quality and business integrity. The provisions as set forth in this Code of Conduct provide the minimum standards expected of Rosy Blue's business partners.

'Business Partner' means any company, corporation or other entity that sells, or seeks to sell goods or services to Rosy Blue, including the Business Partner's employees, suppliers, agents, distributors and other representatives including contractors.

Our Business Partners must live up to this Business Partners' Code of Conduct as a condition of doing business with us and we expect full legal compliance with all applicable laws, rules and regulations. We also expect our Business Partners to meet the internationally recognized standards for the advancement of human rights, business ethics and social and environmental responsibility.

Upon request, Business Partners will provide Rosy Blue with information to enable Rosy Blue to assess conformance with the code. We want to work with our Business Partners to improve conditions. Rosy Blue reserves the right to assess conformance to these requirements at any time. If a Business Partner refuses or is unable to correct the non-conformance to our satisfaction, we may terminate the relationship as a last resort.



The following sections describe the responsibilities of Business Partners doing business with Rosy Blue. These highlight our expectations towards our Business Partners, over and above any other contractual agreements such as supply, customer, agent, contractor and distribution agreements and purchase orders. Rosy Blue reserves the right to amend this list of responsibilities.

2. HUMAN RIGHTS AND LABOUR



Business Partners should recognize and be committed to upholding the human rights of workers, and to treat them with dignity and respect as understood by the international community. Rosy Blue supports the Universal Declaration of Human Rights and aims to apply these principles within its spheres of influence and activities. Business Partners need to identify, assess and manage the human rights risks arising from their business operations.

In other words, Rosy Blue expects its business partners to support and respect the protection of internationally proclaimed human rights, to ensure that they are not complicit in human rights abuses and commit to implementing the requirements contained in the United Nations Guiding Principles on Business and Human Rights.

Business Partners need to ensure the following standards are met:

2.1 No Forced Labour

Forced, bonded or indentured labour or involuntary prison labour is not to be used. All work will be voluntary, and workers should be free to leave work or terminate their employment upon reasonable notice. Workers must not be required to hand in any government-issued identification or work permits. Business Partners shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker.

2.2 No Child Labour

Child labour is strictly prohibited in any stage of manufacturing. The term “child” refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country or the minimum age permitted under International Labor Organization (ILO) standards, whichever standard is the highest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform hazardous or overtime work and may be restricted from night work with consideration given to educational needs. Business Partners may use lawful, legitimate programs such as student internships.

2.3 No Discrimination

Rosy Blue expects its Business Partners to treat all employees equally and fairly. There is to be no discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, pregnancy or marital status in hiring and employment practices such as promotions, rewards, and access to training. Business Partners will under no circumstance discriminate workers on the basis of medical test results except where required by law or regulation or prudent for workplace safety.

2.4 No Harsh or Inhumane Treatment

There is to be no harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Business Partners are expected to treat their employees with respect and dignity.

2.5 Minimum Wages

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Any disciplinary wage deductions are to conform to local law. The basis on which workers are being paid is to be clearly conveyed to them in a timely manner.

2.6 Working Hours

Business Partners must follow with all local laws and regulations applicable with respect to working hours which shall not in any case exceed the maximum set by International Labor Organization (ILO). A work week shall not exceed 60 hours, including overtime, and workers shall be allowed at least one day off every seven days except in emergency or unusual situations. Work weeks are never to exceed the maximum set by applicable law. Any overtime performed shall be voluntary and shall be compensated at the rate required by applicable law.

2.7 Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Business Partners are to respect the rights of workers to associate freely and to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment. Workers' rights to join labour unions, seek representation and or join workers' councils in accordance with local laws should be acknowledged without any sanction, discrimination or harassment.

2.8 Local Community Impact

Rosy Blue strives to have a positive influence on the regions in which we operate and prevent any damage to local communities. Business Partners shall respect the communities in which they operate and encourage to make a positive social impact in the related communities by contributing to their social, environmental and economic welfare.



3. ENSURING WORKPLACE HEALTH AND SAFETY

In line with the Rosy Blue Health and Safety Policy, Business partners are expected to provide a safe and healthy working environment and are required to comply with all applicable local and international laws. Business Partners should recognize that the quality of products and services, consistency of production, and workers' morale are enhanced by a safe and healthy work environment. Health and safety procedures must put in place, up-to-date and widely communicated.

Following issues should be considered:

3.1 Product Safety

Business partners will communicate in a transparent manner on the products they supply, including raw materials, handling and disposal. Expertise should be used to benefit our customers, bringing them added value and high quality products. Full disclosure should be given to the customer.

3.2 Occupational Health and Safety

Business partners should ensure uniformly high health protection, safety, environmental protection and quality standards (HSEQ) at their sites through the implementation of appropriate management Systems and the elimination of any hazards where possible. Business partners will protect their employees from any chemical, biological and physical hazards in the workplace as well as from risks associated with any infrastructures used by their employees. Business partners will provide appropriate controls, safe work procedures, preventative maintenance, and necessary technical protective measures to mitigate health and safety risks in the workplace. Business partners will provide employees with appropriate personal protective equipment. In case of an incident, priority must be placed on the security of people over the security of a product.

3.3 Process Safety


Business partners will have safety programs in place for managing and maintaining all their production processes in accordance with the applicable safety standards. Business partners will address product related issues and their potential impact during all stages of the production process. For hazardous installations the business partner will conduct specific risk analyses and implement measures that prevent the occurrence of incidences such as chemical releases and/or explosions.

3.4 Emergency Evacuation

Business partners will identify and assess potential emergency situations in the workplace and minimize their impact by implementing emergency plans and response procedures.

3.5 Dormitory and Dining

Where applicable, business partners must provide workers with clean toilet facilities, access to clean drinking water and sanitary food preparation and storage facilities. Dormitories should be clean and safe, provided with adequate heat and ventilation systems.



ROSY BLUE'S AIM IS TO CREATE VALUE FOR ITS STAKEHOLDERS, THE ENVIRONMENT AND SOCIETY AS A WHOLE. SOCIAL, ENVIRONMENTAL AND ETHICAL CRITERIA HAVE ALWAYS BEEN AN INTEGRAL PART OF OUR CORPORATE CULTURE BUT TODAY, THEY'VE BECOME CORE BUSINESS.

4. PRODUCT INTEGRITY AND DISCLOSURE



Rosy Blue is committed to deal only in diamonds that are natural and conflict- and human rights abuse -free. We will fully and accurately disclose the material characteristics of the products that we sell, and expect the same of our business partners.

We expect our Business Partners to adhere to:

4.1 Kimberley Process Certification Scheme

In July 2000, the global diamond industry made clear to the international community they will handle a zero tolerance policy towards conflict diamonds. Dedicated to eradicate the trade in conflict diamonds, the industry worked closely with the UN, governments and NGO's to create the Kimberley Process Certification System. In addition to the Kimberley Process, the System of Warranties was developed by the World Diamond Council (WDC) to extend the Kimberley Process assurance to polished diamonds and to provide means by which consumers can be assured their diamonds are from conflict free sources. We expect all our business partners to comply with the Kimberley Process Certification Scheme and System of Warranties (<http://www.kimberleyprocess.com>).

4.2 The Dodd-Frank Act Section 1502

The Dodd-Frank Act is a broad-based reform of Wall Street and US-based companies. As part of this reform, the act requires those who file with the SEC and use the minerals gold, tantalum, tin or tungsten to trace the gold source through subcontractors as well as their own manufacturing operations. Companies need to disclose measures taken to exercise due diligence on the source and chain of custody of the materials and the products manufactured. While the Dodd-Frank Act applies to US listed companies, it indirectly impacts any company beyond US borders which has directly or indirectly US listed customers including upstream companies. As Rosy Blue is trading in the US and has clients in the US, Rosy Blue and all its suppliers, vendors, contractors and subcontractors are exposed to the Dodd Frank Act. Rosy Blue therefore expects its business partners to fully comply with the Act and to take any measurement needed to provide Rosy Blue with certified gold, originating from legitimate sources.

4.3 CIBJO

CIBJO, the World Jewellery Confederation, is a non-profit confederation of national trade associations involved in the jewellery supply chain, including national and international trade associations and commercial organizations. CIBJO's purpose is to protect consumer confidence in the industry. The CIBJO Blue Books are a definitive set of standards for the grading, methodology and nomenclature standards for diamonds, coloured gemstones, pearls, precious metals, and since recently also for gemmological terminology and nomenclature (<http://www.cibjo.org>). We request our business partners to operate their businesses in a manner that ensures that consumers buying jewellery are able to rely with confidence on the professional and ethical standards and technical skills of the jewellery industry. We explicitly request our business partners to adhere to the principles of responsible gold procurement practices (<http://www.gold.org>).

4.4 Traceability and Due Diligence

Business Partners are encouraged to meet the standards in line with the OECD Due Diligence Guidance and achieve full traceability and increase transparency throughout their supply chains. Detailed records needs to demonstrate traceability and may be verified.



5. BUSINESS INTEGRITY

Business Partners are expected to conduct their business with integrity, honesty and respect. Rosy Blue requires its Business Partners to act in full compliance with applicable local, national and international law.

Ethical requirements include the following aspects:

5.1 No Corruption

Business Partners are expected not to practice or tolerate any form of bribery and/or corruption. Business Partners will not offer or accept bribes or other unlawful incentives to directors, officers, employees of Rosy Blue or third parties in exchange for business opportunities. The highest standards of integrity are to be expected in all business interactions. All forms of corruption are strictly prohibited.

5.2 Disclosure and Privacy of Information

Means to effectively safeguard customer information regarding business activities, structure, financial situation, performance, and/or any other information deemed confidential shall be disclosed only in accordance with the guidelines specified within any agreed upon non-disclosure agreement between the Business Partner and Rosy Blue and within the guidelines of all applicable laws and regulations. Ensuring that Rosy Blue and Business Partner do not keep or process more personal information than necessary for the mentioned purpose.

5.3 No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted. No Business Partner, or its representatives or employees, shall offer to any Rosy Blue employee a kickback, favour, gratuity, entertainment or anything of value to obtain favourable treatment from Rosy Blue. Rosy Blue employees are similarly prohibited from soliciting such items. As long as a gift is not intended to obtain favourable treatment for the Business Partner and does not create the appearance of a bribe, kickback, payoff or irregular type of payment. Rosy Blue employees are not prohibited from accepting the gift if it is \$50 or less in value and acceptance is consistent with Rosy Blue business practices and acceptance of the gift does not violate any applicable law.

5.4 Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Business Partners to Rosy Blue shall not engage in unfair trade practices in violation of federal or state antitrust laws.

5.5 Community Engagement

Community engagement is encouraged to help foster social and economic development.

5.6 Protection of Intellectual Property

Intellectual property rights are to be respected; transfer of technology and knowhow is to be done in a manner that protects intellectual property rights.



6. PROTECTING THE ENVIRONMENT

Rosy Blue expects its business partners to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Partners should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.

Following measurements should be taken:

6.1 Product Content Restrictions

Business Partners are to adhere to applicable laws and regulations regarding prohibition or restriction of specific substances including labelling laws and regulations for recycling and disposal.

6.2 Chemical and Hazardous Materials

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

6.3 Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

6.4 Air Emissions / Energy Usage and Greenhouse Gas Emissions

Business Partners shall monitor their energy consumption and take actions to reduce greenhouse gas emissions with an emphasis on use of renewable energies. Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

6.5 Environmental Permits and Reporting

All required environmental permits and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

6.6 Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

ROSY BLUE IS COMMITTED TO
ENSURING ETHICAL BUSINESS PRACTICES,
TRANSPARENT CORPORATE BEHAVIOUR,
AND COMPLIANCE WITH INDUSTRY
REGULATIONS AND STANDARDS.



7. MANAGEMENT SYSTEMS



Business Partners must adopt or establish a management system whose scope is related to the content of this Code and proportional to a Business Partner's environmental and social accountability profile. The management system shall be designed to ensure compliance with applicable laws and regulations; conformance with this Code; and identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The following practices can be applied:

7.1 Company Commitment

Corporate social and environmental responsibility statements that affirm the Business Partner's commitment to compliance and continual improvement.

7.2 Management Accountability and Responsibility

Clearly identified company representative(s) responsible for ensuring implementation and periodic review of the status of the management systems.

7.3 Legal and Customer Requirements

Identification, monitoring and understanding of applicable laws, regulations and customer requirements.

7.4 Risk Assessment and Risk Management

Process to identify the environmental, health and safety and labour practice risks associated with Business Partner's operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to ensure regulatory compliance to control the identified risks.

7.5 Performance Objectives with Implementation Plan and Measures

Written standards, performance objectives, targets and implementation plans including a periodic assessment of the Business Partner's performance against those objectives.

7.6 Training

Programs for training managers and workers to implement Business Partner's policies, procedures and improvement objectives.

7.7 Communication

Process for communicating clear and accurate information about Business Partner's performance, practices and expectations to workers, suppliers and customers.

7.8 Employee Feedback and Participation

Ongoing processes to assess employees' understanding of and obtain feedback on practices and conditions covered by this Code and to foster continuous improvement.

7.9 Audits and Assessments

Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

7.10 Corrective Action Process

Process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

7.11 Documentation and Records

Creation of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy

8. RESOLVING CODE OF CONDUCT OR ETHICS ISSUES



8.1 Rosy Blue's Commitment to its Business Partners

Rosy Blue's relationships with its Business Partners must be characterized by honesty and fairness. We will not make payments to any employees of Business Partners to attain lower prices or additional business. Rosy Blue shall not reveal a Business Partner's pricing, technology or other confidential information without prior written permission.

We will not make false or misleading remarks to others about Business Partners or their products or services. Rosy Blue shall hold our Business Partners to the same standards and expectations as to which we hold our own operations and employees.

8.2 Evaluation of Business Partners

Rosy Blue shall be entitled to request information from its Business Partners as to their compliance with the terms of this Code of Conduct. Where necessary, Rosy Blue may require a Business partner to provide evidence of its compliance by way of independent third party auditing. Rosy Blue shall be entitled to visit Business partners' production facilities and the facilities of their subcontractors and suppliers to establish whether the terms of Code of Conduct are being complied with.

Rosy Blue reserves the right to terminate business relationships with any business partner who violates this Code of Conduct or whose suppliers or subcontractors violate this Code of Conduct. The terms of this Code of Conduct shall be included in the standard supply agreements in order to enter into the business relationships with Rosy Blue.

Business Partners are encouraged to work through their own company to resolve internal ethics issues. However, Business Partners should promptly report violations of this Code or any unethical behavior to their contact person at Rosy Blue, or if this is not feasible to the global corporate affairs department.

Contact person: Koen Boogaerts, Director of Supply Chain & Sustainability

E-mail: Koen.Boogaerts@rosyblue.be

9. REFERENCES AND RESOURCES



The following standards were used in preparing this Code and may be a useful source of additional information:

United Nations Global Compact
<http://www.unglobalcompact.org>

Universal Declaration on Human Rights
<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

International Labor Standards (ILO)
<http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm>

Kimberley Process Certification System
<http://www.kimberleyprocess.com>

Responsible Jewelry Council
<http://www.responsiblejewellery.com>

OECD Guidelines for Multinational Enterprises
<http://www.oecd.org>

Financial Action Task Force
<http://www.fatf-gafi.org>

The World Jewelry Confederation
<http://www.cibjo.org>

World Gold Council
<http://www.gold.org>

10. ACKNOWLEDGEMENT OF THIS CODE OF CONDUCT



Company Name

Contact

Phone Number

E-mail

Does your Company adhere to any of the following voluntary initiatives? Please add signatory date.

	Yes	No	Signatory Date
- United Nations Global Compact			
- Responsible Jewellery Council			
- SA 8000			
- ISO 14 001			
- ISO 26 000			
- Best Practice Principles			
- Others, please specify			

Does your company has a Code of Conduct of similar standards to which you operations adhere?	Yes	No
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Is your company interested in receiving extra information on the implementation of this Code?	Yes	No
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Yes, please specify

The terms of the Rosy Blue Business Partners Code of Conduct are hereby accepted and agreed to on behalf of:

Company Name

Name Contact Person

Signature and Date