



Human Rights and Social Performance - Policy -

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Sources

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2. Rosy Blue Commitment

i. Our aim

In line with our heritage as a responsible corporate citizen, we are committed to respecting the economic, social, cultural, political and civil rights of individuals involved in and impacted by our operations. Rosy Blue supports the United Nations' Universal Declaration of Human Rights and the Core Conventions of the International Labour Organisation. We believe that this is good for business because these standards, attitudes and behaviour help create a business and societal culture in which our company can best thrive.

As a minimum, we comply with local human rights legislation as well as our own human resources and ethical sourcing standards and implement programmes across our global operations and with our supply chain partners. Wherever local legislation is weak or absent, we apply the principles of relevant international standards.

We will use this position as a framework to guide our decision-making and constructive engagement within our sphere of influence, while the responsibility of the governments of the various countries for protection of human rights is respected. Rosy Blue supports the "Respect, Protect and Remedy" framework brought forward by SRSG John G. Ruggie. This framework lays the foundations of a system for better managing business and human rights challenges based on distinct yet complementary responsibilities for States and corporations and effective remedy in case of abuse. It comprises three core principles: the State duty to protect against human rights abuses by third parties, including business; the corporate responsibility to respect human rights; and the need for more effective access to remedies.

ii. Implementation of the policy

We support the Universal Declaration of Human Rights and aim to apply its principles throughout our business operations.

Rosy Blue will:

- identify, assess and manage the human rights and labour risks arising from business operations
- shall follow the requirements of national law where this sets a tougher standard than the ILO
- treat employees with integrity and respect their human rights as employees
- provide healthy and safe working conditions



- pay fair wages and, within each business, equal pay for equal work
- not employ forced, bonded or exploitative child labour
- ensure the avoidance of discrimination and harassment
- provide flexible working practices recognising the need for employees to balance their working life with other interests and responsibilities
- offer employees a secure and confidential means of providing feedback to management without fear of reprisals in accordance with the Human Resources Policy
- support employees' right to pursue their labour rights, including (but not limited to) freedom of assembly, association and collective bargaining
- will adhere to collective bargaining agreements, where such agreements exist
- apply the Voluntary Principles on Security and Human Rights as we select security providers and conduct security operations
- provide direction and training to enable employees to meet their obligation to conduct business with regard for human rights
- report publicly on performance against this policy
- encourage our contractors and partners to demonstrate the same level of commitment to human rights
- make available appropriate resources to implement this policy
- assure compliance with the policy through a process of education, review and audit

iii. Raising of concerns

- The management of Rosy Blue encourages all personnel to voice concerns promptly, if they have a genuine reason to believe that a policy, entity operation or practice is or will likely be in violation of any law, regulation or internal entity rule or policy.
- The entity assures all employees who come forward in good faith to report issues, that they will be treated fairly and respectfully.
- While all efforts will be taken to protect the anonymity of employees as far as possible, any form of retaliation against any such individuals, assuming they have not been involved in the violation, will not be tolerated.



iv. Scope of this policy

This policy applies to all Rosy Blue Alliance companies and employees.



3. Human Rights

i. Definition of Human Rights

Human rights are rights inherent to all human beings, regardless of nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or any other status. These rights are all interrelated, interdependent and indivisible.

Claims for human rights depend on three interlocking qualities. Human rights must be:

Natural – inherent in human beings;

Equal – the same for everyone; and

Universal – applicable everywhere.

In other words, for rights to be human rights, all humans everywhere in the world must possess them equally and only because of their status as human beings.

The kinds of rights which are regarded as human rights include:

Civil and political rights – such as the right to life and liberty, freedom of expression, and equality before the law; and

Social, cultural and economic rights – such as the right to participate in culture, the right to food, the right to work, and the right to education.

ii. Issue background

Universal human rights are often expressed and guaranteed by law, in the forms of treaties, customary international law, general principles and other sources of international law. While human rights principles were originally intended to limit government action towards individuals or groups, many of the principles relate directly or indirectly to private sector actions.

A wide range of NGOs have focused increased attention on the actions of businesses, particularly those working internationally. Businesses are now seen to play a critical role in how human rights are respected globally. Leading businesses have responded by developing more rigorous approaches to human rights, such as risk assessment, corporate monitoring and public reporting.



iii. Key Regulations

- International Standards

The human rights law is a system of laws, both domestic and international, designed to promote human rights. The most well known international human rights instrument is The Universal Declaration of Human Rights (UDHR), adopted by the United Nations General Assembly in 1948. Although the UDHR is a non-binding resolution, it is now considered to be a central component of international customary law.

The UDHR has 30 Articles. The most relevant to the private sector relate to:

- Civil rights to be free and equal in dignity and free from discrimination (Articles 1 and 2).
- Freedom from slavery or servitude, or degrading treatment or punishment (Articles 4 and 5);
- Freedom of movement, opinion and association (Articles 13, 19 and 20);
- Employment rights, such as conditions of work, rest and leisure, and standard of living (Articles 23, 24, 25);

In addition to the UDHR, there are nine core international human rights treaties, implementable by nation states. These include:

- International Covenant on Civil and Political Rights (CCPR)
- International Covenant on Economic, Social and Cultural Rights (CES CR)
- Convention on the Elimination of Racial Discrimination (CERD)
- Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)
- Convention on the Rights of the Child (CRC)

- National Law

Human rights principles are also enshrined in the national law of the majority of countries. It is essential to ensure that all business operations are aware of and consistent with these legal principles.



4. Child Labour & Young Persons

i. Policy Statement

The management of Rosy Blue is committed not to tolerate any form of child labour at any of the facilities of Rosy Blue and any subcontracted labour or operations.

The local management should ensure strict adherence to this policy.

ii. Definition of Child Labour and Young Persons

Child labour is often defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to their social, physical and mental development. A young person is any worker over the minimum age for work and under the age of 18 years.

iii. Issue background

Child labour is one of the most high profile and widely-condemned social performance issues. It is deemed to be widespread, with estimates of more than 2000 million child labourers aged 5-17 globally. Child labour usually refers to work that interferes with children's schooling. It may deprive children of the opportunity to attend school, oblige them to leave school prematurely, or require them to combine school attendance with demanding work. Whether or not particular forms of 'work' are prohibited as 'child labour' depends on a number of factors. These can include the child's age, the type and hours of work performed, the conditions under which it is performed and the legal framework of individual countries and sectors.

It is important to understand the context in which child labour occurs and the impacts it can have. There are various reasons why children are employed, but the main reason is one of economic necessity. Families may depend on children's earning incomes. However, child labour ultimately impedes economic growth and development. It deprives children of the opportunity to be educated for productive and decent work, consigning them to low-paying and unskilled jobs in adulthood at best. Child labour can also have a negative effect on adult working conditions, creating a downward pressure on wage levels and leading to increased adult unemployment rates. This in turn reinforces the problems of poverty and lack of development that drive child labour in the first place. As a result, addressing child labour is a complex issue and unfortunately not always simply a matter of removing children from the



workforce. It must be approached with an understanding of its economic drivers and sensitivity to the alternatives.



iv. Key Regulations

- International Conventions

The International Labour Organisation (ILO), a United Nations agency, has passed two major conventions on child labour. These are the Minimum Age Convention 138 (1973) and the Worst Forms of Child Labour Convention 182 (1999). These Conventions take two main approaches to defining child labour: age and activity. According to the age-based definition, children under a certain age should not work. According to the activity-based definition, child labour is further characterized according to its negative effects on children.

	The minimum age at which children can start work	Possible exceptions for developing countries
Hazardous work	18 (or 16 under strict conditions)	18 (or 16 under strict conditions)
Basic minimum age	15	14
Light work	13-15	12-14

Source: ILO International Programme on Elimination of Child Labour (IPEC) – About Child Labour

Hazardous work: work which puts at risk children’s physical or psychological well-being, due to the nature of the work, or because of the conditions under which it is carried out.

Light work: ILO Convention 138 permits countries to set a special category age of at least 13 years (12 years in developing countries) for young persons (who are over the age of a child but under 18) to engage in ‘light work’. Factors to consider in determining whether a particular job constitutes ‘light work’ for a young person are: hours of work, school attendance and performance, and the working environment. While not stated explicitly, ‘light work’ is generally understood to exclude industrial work.

Worst forms of child labour: ILO Convention 182 calls for the immediate elimination of ‘unconditional worst forms of child labour’ and defines a child as anyone under 18. ‘Worst forms of child labour’ are defined as slavery, trafficking and other forms of forced labour, forced recruitment for use in armed conflict, prostitution, pornography and other unlawful activities.

- National Law

Most countries have national legislation dealing with minimum ages for working, often with particular provisions for different sectors. For example, Indian labour law does not establish a general minimum age for employment, but the Child Labour (Prohibition and Regulation) Act (1986) prohibits employment of under -18s in a series of hazardous occupations and processes including mining and gem cutting and polishing.



v. Implementation of the policy

The entities of Rosy Blue should follow the requirement of national law where this sets a tougher standard than the ILO.

- To the extent possible, the entity follows a policy of recruiting persons who are above the age of eighteen (18). Where young persons are employed, they are employed according to the requirements of applicable law, or if no such law exists, the provisions of ILO Convention 138 and Recommendation 146.
- No employment should commence without proof of age certificate being provided by the prospective employee
- Employment of adolescent labor should be avoided and, where required should be authorized by the Governing Body of the entity
- In the case of adolescent labor being employed, detailed records will be maintained with respect to the number of hours worked, and the department and nature of work assigned to. It will be the responsibility of the nominated senior manager in the entity to verify the above records on a weekly basis and ensure that there are no non-conformances with respect to applicable regulations relating to employment of adolescent labor. In case non-conformances are detected, appropriate corrective action has to be taken immediately.
- Where any children are found to be in employment Rosy Blue will take considered responses that take account of local circumstances:
 - Identification of suitable education or vocational training programmes
 - Support the children until adequate alternative sources of support for their families are available.
 - Evaluation of options to provide employment to some other member of the child's immediate family.



5. Forced Labour

i. Policy Statement

The management of Rosy Blue is fully committed to ensure that forced or involuntary labour (including bonded, indentured or prison labour) is not practiced in any form at any of its facilities. The management does not restrict the freedom of movement of employees. Any reported incident relating to forced labor will be considered as a serious violation to this policy.

ii. Definition of Forced Labour

Forced labour is any work or service exacted by governments, companies or individuals under the menace of penalty, and which a person has not offered voluntarily to do. It also refers to work or service that is demanded as a means of repayment of debt.

(Source: Social Accountability 8000 International Standard, 2001)

iii. Issue background

It is now generally accepted that forced labour can take many forms and is widespread. There are estimations that more than 12 million people globally are trapped in these conditions. Providing wages or other compensation to a worker does not necessarily mean that the labour is not forced or compulsory. Forced labour also includes situations where workers are threatened with severe deprivations. These can include withholding wages or food, threatening or inflicting physical or sexual violence, or restricting workers' movements.

Some specific examples of forced labour that might be relevant include:

Withholding and keeping of documentation

Where an employer takes away identity documents and/or passports, making it difficult for an employee to leave employment. Where such documents are surrendered for security purposes, this should only be a temporary arrangement.

Debt-bondage

This can arise from a pledge by a debtor of his/her personal services (or those of a person under



his/her control) as security for a debt over a period of time. Sometimes workers are allowed to gradually increase debts, such as salary advances, store credit and loans, beyond their wage capacity. This can create a continuous state of bondage over many years, where workers are earning wages only to pay off debts or the interests arising from those debts. In many cases, the value of services pledged is not reasonably assessed and/or is not fairly applied towards the settlement of the debt.

Indentured labour:

Indentured labour arises when a third party, often a parent or guardian, offers a worker in exchange for a sum of money. In this situation, workers must work for either a defined period of time, or until the proprietors determine that they have received fair value.

Compulsory work:

This can occur where local people have to provide substantial help in public works, in the face of menace by government or local authorities. Another form of compulsory work is forced overtime, where workers are unable to decline overtime without fear of retaliation.

Physical confinement and/or verbal or physical intimidation:

Physically confining workers within the workplace, or unreasonable prohibitions on workers leaving factory grounds and dormitories, are infringements on workers' freedom. Forms of intimidation include threats of physical punishment or non-payments of salary in case of the worker leaving employment.

Situations where the above forms of forced labour may arise include:

Trafficking: Traffickers can put themselves in a threatening position to workers by seizing identity papers or by entrapping their charges through cash advances or loans. Traffickers, the persons linked to them, or the employers at the point of destination, may give their victims no choice as to what work to perform and under which conditions.

Migrant labour: Migrant workers may have illegal or restricted employment status, may be economically vulnerable, and/or may be Members of an ethnic group subject to discrimination. These factors can be used unfairly by coercive recruiters or labour intermediaries, who remove identity documents and threaten workers with public exposure or deportation. Faced with these threats, migrant workers may accept sub-standard conditions of work such as debt-bondage or indentured labour.

Prison labour: Under the International Labour Organisation (ILO) Conventions prison



labour can sometimes amount to forced labour, but in some cases can be acceptable. Within Rosy Blue, no prison labour is allowable.



iv. Key Regulations

- International Conventions

The right to give work freely is enshrined in Article 4 of the Universal Declaration of Human Rights (1948), which states no one shall be held in slavery or servitude.

The International Labour Organisation (ILO), a tripartite United Nations agency, has adopted two major conventions on forced labour. These are Conventions No.29 on Forced Labour (1930) and No.105 on Abolition of Forced Labour (1957). Key aspects of the definition in Convention 29 are that there is some form of menace or penalty involved and that the worker has not voluntarily agreed to work. Conventions 29 and 105 are included in a small group of 'core conventions' by the ILO, under the 1998 Declaration of Fundamental Principles and Rights at Work. All ILO Member countries are bound to promote and respect the core conventions, regardless of whether they have ratified them.

- National Law

Relevant national and applicable local laws and regulations may be in the areas of trafficking, involuntary servitude, prison labour or bonded labour. It is essential to be aware of all relevant legislation and regulation in the jurisdictions of all operations.

v. Implementation of the policy

To ensure that no forced or compulsory labor takes place within Rosy Blue, the following guidelines are applicable:

- The entity does not retain any original personal documentation belonging to employees (such as passports or other official proof of identity) during the course of their employment, other than by specific legal requirement, nor require any form of deposit, recruitment fee, or equipment advance from employees either directly or through recruitment agencies.
- All employees are free to resign at any time after serving the required notice period specified in the terms and conditions of appointment.
- Procedures to be followed in the case of employee exit are clearly defined
- Leave is provided to all employees as per applicable national legislation. In the case of emergencies, employees are free to leave their workplace immediately after informing their immediate supervisor.
- Overtime is voluntary and compensated according to applicable law and sector regulations.



6. Non-Discrimination, Discipline and Grievance Procedures

i. Policy Statement

Rosy Blue Alliance companies are committed to fostering workplaces that are safe and professional and that promote teamwork, diversity and trust. This includes the strongest commitment to providing equal employment opportunities for all persons.

Our business is culturally diverse and we all have a responsibility to contribute to a desirable place to work. Our companies recruit, hire, develop, promote, discipline and provide other conditions of employment without regard to a person's race, color, religion, sex, age, national origin, sexual orientation, disability, citizenship status, marital status, pregnancy, results of medical tests or any legally protected status. This includes providing reasonable accommodation for employees' disabilities or religious beliefs and practices.

The company will not tolerate the use of racial, religious, sexual, gender-based, age-related, ethnic, or disability related jokes.

ii. Definition of Discrimination

Discrimination is where people are treated differently because of certain characteristics – such as race, colour, sex, religion, political opinion, national extraction or social origin – which results in the impairment of equality of opportunity and treatment.

Source: International Labour Organisation – Workplace Discrimination

iii. Issue background

Discrimination in occupation and employment takes many forms and occurs in all kinds of work settings. It can occur in developed or developing countries, in rural or city settings, and in low or high technology workplaces. It may affect people gaining access to employment or particular occupations. Or once at work, it can result in different treatment of employees in their responsibilities, conditions, training, promotion, or job security. Ultimately, discrimination creates and reinforces inequalities and is a breach of human rights.



Non-discrimination means that employees are selected on the basis of their ability to do a job, without exclusion or preference on any other grounds. Distinctions based strictly on the inherent requirements of particular work are not discrimination.

Globally, women continue to be the largest discriminated group according to International Labour Organisation reports. Gender disparities are evident in labour force participation rates, unemployment rates, remuneration and the types of jobs performed. New forms of discrimination are also being recognised, such as unfair treatment of both young and older persons, people with disabilities and those with HIV/AIDS. However, monitoring levels of discrimination can be hampered by a lack of available data. Privacy protection and ideological or political barriers often prevent the collection of data on certain groups.

For employers, discrimination can be difficult to identify in practice. Discriminatory practices may be direct, such as when laws, rules or customs explicitly cite a reason such as sex or race to deny equal opportunity. However, indirect discrimination is much more common and consequently more difficult to pinpoint. It arises where rules, practices or attitudes have the appearance of being neutral but in fact lead to exclusions or preferential treatment. Where discrimination exists informally or is culturally ingrained, it requires a conscious effort from employers to identify and address in a purposeful way.

iv. Key Regulations

- International Standards

Non-discrimination principles are enshrined in the Universal Declaration of Human Rights (1948). Article 2 states that everyone is entitled to the rights and freedoms of the Declaration, without distinction of any kind. Article 7 states that all are equal before the law and are entitled to equal protection against any discrimination in violation of the Declaration. Article 23 states that everyone has the right to equal pay for equal work.

These rights have also been defined in international labour law. The International Labour Organisation (ILO), a tripartite United Nations agency, has adopted two major conventions against discrimination:

- Convention 100 on Equal Remuneration (1951)
- Convention 111 on Discrimination (Employment and Occupation) (1958)

Conventions 100 and 111 are included in a small group of 'core conventions' by the ILO, under the 1998 Declaration of Fundamental Principles and Rights at Work. All ILO Member countries are bound to promote and respect the core conventions, regardless of whether they have ratified them.



- National Law

Most national labour and employment laws have provisions for non-discrimination. However there are jurisdictions where discrimination is legally permitted. In some countries, there is provision for 'positive' discrimination that seeks to redress historical inequalities such as gender or race. It is essential to be aware of all relevant legislation in the jurisdictions of operation.

v. Implementation of the policy

- Rosy Blue will never use corporal punishment
- Employees are expected to conduct themselves professionally, in a manner befitting the work environment and with respect for co-workers.
- Employees are expected to understand that behavior which one individual considers innocent and harmless may be regarded as harassment by another person. Rosy Blue will not tolerate harassment of its employees by anyone.
- All incidents and suspected violations should be reported immediately. Employees may report to a supervisor or manager, or to the HR Manager. Complaints will be kept confidential to the fullest extent possible. The details of the procedure to be followed if an employee has complaints can be found in the open communication policy for all employees to raise concerns.
- An investigation will be initiated as promptly as practicable after receipt of a complaint and swift and appropriate corrective action will be taken, if necessary. Complainants will be notified of the results of the investigation, or given an update on the investigative process, shortly after the investigation is completed.
- Neither the company nor its management will retaliate against any person for reporting perceived harassment, or for participating in an investigation. If an employee believes that he or she is being retaliated against, the employee should follow the complaint procedure. Retaliation for filing a complaint or participating in an investigation is a violation of federal laws and will not be tolerated.

