

ROSY BLUE

UN GLOBAL COMPACT
COMMUNICATION
ON PROGRESS
2012

About this summary report



Content



About this summary report

As a natural step in the evolution of our focus on corporate social responsibility, Rosy Blue* became a signatory of the UN Global Compact in 2008. The Global Compact is a voluntary framework for businesses committed to aligning their operations and strategies with 10 principles covering human rights, labor, the environment and anti-corruption.

Rosy Blue is member of Global Compact LEAD: a new and exclusive leadership platform launched in 2011 at the World Economic Forum in Davos by HE Secretary General Ban Ki-Moon. By joining this sustainability leadership initiative, Rosy Blue commits to take sustainability leadership to the next level.

The Rosy Blue Business Alliance reaffirms its commitment to the ten principles of the Compact, which are embraced in our company's code of conduct, our corporate policies and our Business Partners Code of Conduct.

The Rosy Blue Business Alliance is composed of:

- > Rosy Blue (India) Pvt Ltd and its subsidiaries in India, the USA and Hong Kong, covering 22 entities, hereafter called Rosy Blue I (Rosy Blue India). Rosy Blue I has a total of 3012 employees of which 20% are women.
- > Rosy Blue Investments Sàrl and its subsidiaries in 13 countries, covering 28 entities, hereafter called Rosy Blue NI (Rosy Blue Non-India). Rosy Blue NI counts 2648 employees of which 48% are women.

Reaching our milestones - Roadmap 2016

Since 2009, the Rosy Blue Business Alliance produces annual reports on its sustainability performance. Each year we reflect on how we can improve and report in depth on our progress made according to the Global Reporting Initiative.

As reported in our Sustainability Roadmap 2016 last year, we are currently in a period of transition as the Responsible Jewellery Council certification process in India is taking place. We are also working on several key projects including the set up of a new sustainability reporting framework, a supply chain management portal and a pilot project on environmental impact in a manufacturing environment.

This communication on progress report provides an insight into the business alliance's recent activities covering the period of 2012. It is intended to communicate a brief summary on our progress made as a preparation of our Report to Society that will be published online in the first quarter of 2014.

As we are collecting and integrating data on the basis of ongoing internal and external audits, we are preparing ourselves for the next Report to Society to give you a complete overview of the progress made on the basis of new key performance indicators established.

We strongly believe that the new tools that are under development will help us to improve our performance and will allow us to compare data more easily. We recognize that our stakeholders have a legitimate interest in our sustainability performance and our ambition is to satisfy that interest with accurate and complete data.

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

Statement of continued support to the UN Global Compact

UN Global Compact principles

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure that they are not complicit in human rights abuses.

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labour;

Principle 5

The effective abolition of child labour;

Principle 6

The elimination of discrimination in respect of employment and occupation.

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.



Foreword

Sustainability through leadership



At the core of Rosy Blue's vision is the imperative for sustainable growth. Our founding and certified membership to the Responsible Jewellery Council reflects this vision. Our continued active participation to the UN Global Compact and our LEAD membership are an example on how we are committed to move forward.

With the guidance of the CSR Committee and the commitment of all our employees, 2012 was a year of meaningful progress of building a stronger and more robust framework for the sustainability officers around the world. Our priorities have been improving our data reporting processes, including longer term environmental targets within a factory environment; preparation for SA8000 certification in China and strengthening our measurement and impact analysis of our social investments. Particularly close to my heart is the recent Forum on Children's Rights and Business Principles that was launched in Belgium as a result of my personal commitment to HE Secretary-General Ban Ki-moon in Davos in January 2012 of which you will find an in-depth case study in this report.

We know that our transformational journey is incremental and every step we take will get us a little closer to our vision as outlined in our Roadmap 2016 in this report. Over the past 5 years we have learned a great deal about the priority areas we must focus on in order to continue to grow, serve our customers and create shared value.

This annual communication on progress in preparation of our Report to Society in 2014, also serves as a reminder of how much more we can accomplish. We are confident that Rosy Blue is well positioned to make a positive impact for many years to come.

Amit Bhansali

Joining efforts to maximise impact



As our business continues to grow, we continue to evolve our thinking around our sustainability approach. For more than 50 years, Rosy Blue has believed that being a responsible business is an integral part of who we are and what we do. I'm delighted that in 2012 we started the RJC Certification process full scope in our operations. We are looking forward to share the results in our next Report to Society.

we must join efforts with all of our stakeholders to ensure we maximize the impact of our efforts. The implementation of the Dodd Frank Act and the impact on the jewellery industry is an example how collective action clearly makes sense. We are proud of our partnership with Signet* and we will continue to develop our CSR agenda in close relationship with all our stakeholders.

We continue our journey and are moving in the right direction. As part of this ongoing learning process we are working hard to create better measurements to track our progress. We are also determining how to best focus our efforts in order to create impact.

We welcome your feedback.

Russell Mehta

We face numerous sustainability challenges in our industry and it is clear that we cannot tackle them alone. I strongly believe

*Signet is the largest specialty retail jeweler by sales in the US and UK

Our business at a glance



"The Rosy Blue brand acts as a promise to suppliers, customers and partners they can expect when dealing with any member of the business alliance."

Dipu Mehta

The diamond jewellery supply chain (known as the diamond pipeline) is the process that brings diamonds from the earth to consumers. The different stages include exploration, mining, sorting, polishing, dealing, jewellery manufacturing and ultimately retail. The entire process varies in terms of length of time depending on the size of the stone. Usually the process occurs within 18 to 30 months, with larger stones moving faster through the value chain.

Positioning Rosy Blue in the diamond supply chain



The Rosy Blue Business Alliance is one of the world's foremost diamantaires, with a long and distinguished history of excellence in the diamond industry. Our company began trading as B Arunkumar more than 50 years ago and continues to be a leading, trusted and successful player in the Indian diamond industry today. Pursuant to the marketing co-

operation arrangement several entities across the globe have started operating under the umbrella of Rosy Blue Business Alliance. Therefore today the Rosy Blue Business Alliance operates in more 14 countries across the globe. All the companies operating within that business alliance seek to build the Rosy Blue Brand from within and outside of India.

Rough diamond procurement

Our close relationships with the world's diamond mining companies — including the Diamond Trading Company (DTC), BHP Billiton, and Alrosa — mean we can depend on an unrivalled supply of rough diamonds. In turn, this means we can assure our clients of a consistent, regular supply, well into the future.

Our rough procurement and polished diamond divisions are in continuous, open communication. This enables us to tailor our procurement as much as possible to the demands of our customers at the time.

Diamond manufacturing

At the heart of our reputation is our manufacturing. We have key production centres around the world, combining the traditions of diamond craftsmanship with the world's most advanced cutting and polishing technology. We manage our production with an advanced series of internal control mechanisms to drive quality and maintain the integrity of the pipeline. Our state-of-the-art factories are both efficient and innovative, benefiting from constant upgrades to improve our production and ensure it continues to meet the highest technical standards. Our production ranges from rounds (from 0.005pts to 10cts+) to calibrated princess diamonds (from 0.03pts to 10cts+) as well as a wide variety of fancy shapes.

We are continuously innovating, developing and investing in our manufacturing technology and processes, to maintain our leadership position in the global diamond industry.

Today, the Rosy Blue Business Alliance has evolved a value-driven approach to manufacturing, aiming at every stage to maximise the value of the rough stone through superior makes and special cuts, from speedier delivery, and from ever-more accurate projections of demand. From large programmes of fine makes to distinctive special cuts, our aim is always to deliver what the customers need.

Polished Diamonds & Distribution

The Rosy Blue Business Alliance is known worldwide as a market-maker in polished diamonds. By combining our own manufactured diamonds with polished stones sourced from the open market, we ensure a consistent depth of inventory, to meet the needs of many different clients.

Our clients are a diverse group, ranging from the world's most prestigious international brands to large chain retailers catering to every price point, and small, speciality jewellers. As one of the world's largest diamantaires, we are one of the few companies that can consistently meet all these various needs.

The scale of our international manufacturing and procurement operations means we can offer a comprehensive range of high-quality polished diamonds. We are able to meet orders swiftly, efficiently, and to exceptionally high standards.

What we stand for:

- > Financial strength and stability
- > Stable rough supplies
- > Understanding of market dynamics
- > Pipeline integrity guarantee
- > Strategic downstream partnerships
- > Huge quality and size range from in-house production
- > Global track record in branded and 'special cut' programmes
- > Strong commitment to ethical business practices

We have teams of key account managers across the world, procuring and selling specific weights and qualities of polished stones. These experienced specialists are also in close touch with our rough diamond procurement operations, allowing them quickly to pass on news of customers' requirements. This means our rough procurement experts can focus on sourcing the stones to meet those needs, creating an unusually intelligent and client-centered pipeline.

Jewellery Manufacturing & Distribution

At every stage, product quality is the essential first step towards our ultimate goals: to bring outstanding service and added value to all our clients. Inter Gold is the jewellery manufacturing arm of Rosy Blue I, and is itself one of the largest diamond jewellery companies in the world. Our marketing and distribution network spreads throughout the globe with special expertise in the United States, Europe, Japan, and Asia Pacific; each backed by a local service desk.

Retail

Orra, Rosy Blue I's retail chain in India, has over 35 shops, selling a full range of diamond jewellery and hence offering a one-stop-shop to the consumer.

Our people

We foster an inclusive culture that encourages leadership, excellence and innovation.

The Rosy Blue Business Alliance is known for its exceptional diamond manufacturing expertise and customer service but the dedication, knowledge and excellent performance of our people behind the diamonds are what make our company great. We view diversity in the broadest sense. Our workforce comes from 26 countries and brings together different cultures, gender, religions, languages, social-economic backgrounds, talents, and innovative ways of thinking that help us reach customers and communities around the world.

Global Presence Business Alliance

"We want to be a truly global leader in the diamond and jewellery industry by adding value to the supply chain from manufacturing to retail, while caring for our employees and customers, seeking to enrich the quality of life for the communities in which we do business and by serving as good stewards of society and the environment."

Harshad Mehta



Rosy Blue NI

Country	Diamond cutting or polishing	Diamond grading	Diamond polished sales/buying office	Diamond rough sales/buying office	Diamond sorting	Holding Co.	Jewellery manufacturing with gold	Jewellery retail	Jewellery trading	Administration
Armenia	•	•	•	•	•					•
Belgium	•	•	•	•	•				•	•
China	•	•	•	•	•		•			•
Hong Kong			•	•	•	•	•		•	•
Israel			•	•	•					•
Japan			•		•				•	•
Luxembourg						•				•
Russia										•
South Africa			•	•	•	•				•
Sri Lanka	•	•			•					•
Thailand	•	•			•					•
UAE			•	•	•				•	•
USA			•		•				•	•

Rosy Blue I

Hong Kong			•	•			•			•
India	•	•	•	•	•	•	•	•	•	•
USA									•	•

Our approach to sustainability



MATERIALITY FOR ROSY BLUE - FOCUSING ON WHAT MATTERS

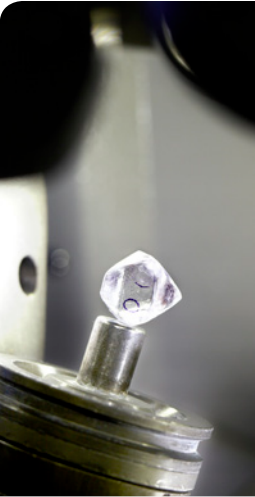




Being transparent about how the Rosy Blue Business Alliance measures, manages and integrates its sustainability priorities into its business is very important to us.

Sustainability priorities are both determined by elements of the business strategy – products and operational excellence – and the issues of greatest importance to our stakeholders. Based on a materiality process in 2010, we focus particularly on the issues most relevant to us. In 2012 we have included a new area of focus under the human rights umbrella - children's rights.

"In fulfilling the business needs of some of the most prestigious jewellery houses in the world, we take our responsibility for managing our supply chain integrity very seriously. We look after our clients by offering tailored, value adding services, but product integrity represents the foundation of how we serve all our clients."

Raj Mehta

The five focus areas of our strategy are:

Topic	Why is it material?	Challenges ahead
 <p>Respect for Human rights and children's rights</p>	Respect for human rights is an integral part of Rosy Blue's vision and values. We understand respect for human rights to be a minimum standard for conducting business with legitimacy and we acknowledge that we can play an important role in the protection and promotion of human rights. We acknowledge that children have the same general human rights as adults. But children are particularly vulnerable and so they need special protection. We believe the Rosy Blue Business Alliance has an opportunity to become a more beneficial force for children.	To engage with all players throughout the value chain to respect and promote human rights including children's rights.
 <p>Working conditions</p>	We are a people business. Most of our manufacturing operations take place in developing countries where legal frameworks might fall short to create a decent living standard. We believe a diverse work force working in a healthy and safe working environment contributes to sustainable livelihood.	Remaining a competitive leader in the industry while continuously adopting higher standards.
 <p>Product integrity</p>	Responsible sourcing and ethical business practices are at the basis of our license to operate in the market. It is our responsibility to protect consumer confidence. Our supply chain is large, multi-tiered and varied. With an increasingly globalized supply chain, we need to understand the risks related to the business, social and environmental responsibilities. More than ever, we need to work with others along the value chain to reach shared sustainability goals.	To engage with all our business partners and the industry at large to a level where they have a deep understanding of their role in ensuring a responsible supply chain. To develop programs that do not duplicate efforts and that have positive structural impact.
 <p>Environment</p>	We can help combat climate change by taking steps to consistently reduce the environmental impact of our manufacturing and other operations. We have set environmental targets that reflect the ambition to produce more with less and continuously reduce impacts on the environment.	Managing the environmental strategy across our operations is a complex process that takes time. We need to continue to build our reporting platform to enhance data quality and monitor additional performance measures to make better strategic decisions about HSE policies, programs and resources.
 <p>Community</p>	We operate in many developing countries where there are socio-economic challenges. We strongly believe we can create positive impact in the communities where we operate and tackle the issues that affect them. Building partnerships to create structural change is key in this process.	To further build partnerships and integrate data in our reporting on structural impact in the communities where we operate in support of the Millennium Development Goals.

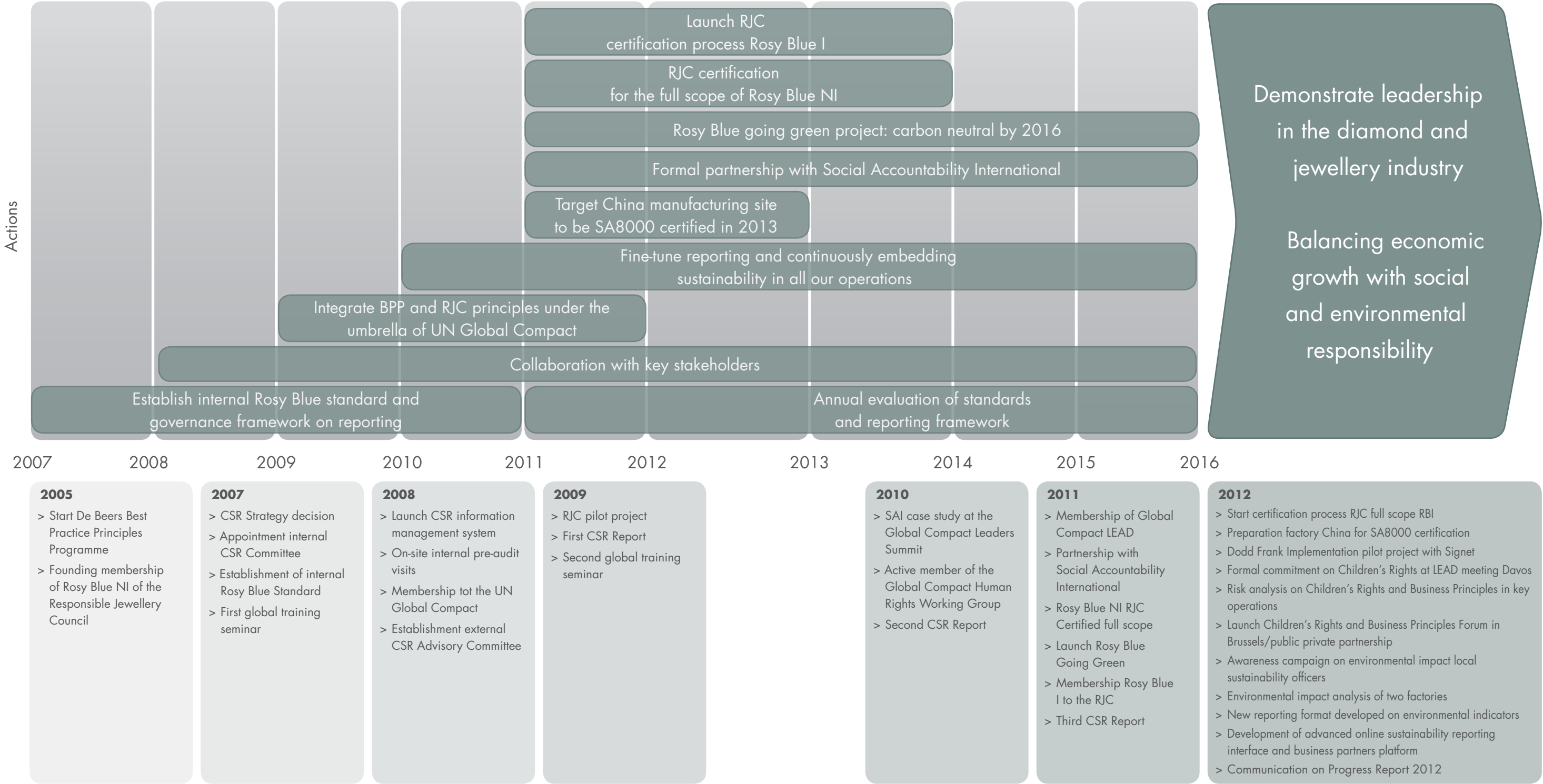
Evolving in our sustainability roadmap

Growing our business brings many challenges

In our Report to Society 2011, we presented the CSR Roadmap 2016. The Roadmap 2016 sets out ambitious targets for the sustainable growth path of the Rosy Blue business alliance. While we have matured considerably in terms of our approach to corporate social responsibility, we must continue to drive innovation and to strengthen our systems and processes. We acknowledge that sustainability is a never-ending exercise in continuous improvement.

"It is our belief that we needs to take a long-term view. We must continue to work hard to move ahead but even more important create shared value across the supply chain. Working together with all the players from mining to retail can achieve real change."

Iris Van der Veken



How sustainability supports our business strategy

At Rosy Blue Business Alliance, we are more than diamonds. We aim to go further to meet the many sustainability challenges of the rapidly changing world we live in. That's our brand promise. We strongly believe that our suppliers and our customers want a trusted partner that takes a leading edge in terms of making a difference to the world at large. We recognize that our people are the ambassadors of our company, they deliver on that promise.

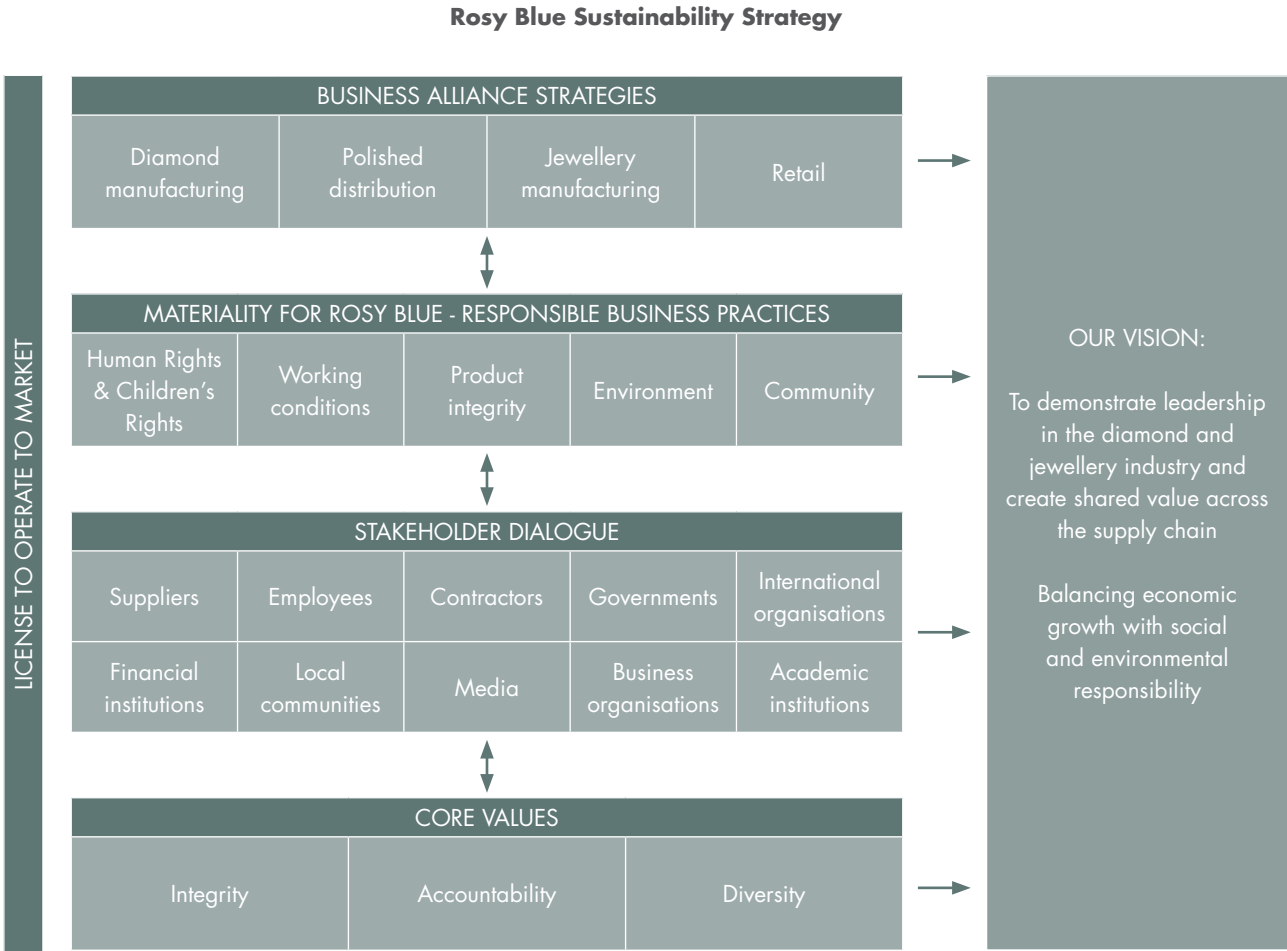
Our vision

We are striving to be the global leader in the diamond and jewellery industry and this demands that we return strong financial results. But leadership is not only about results, it is about balancing interests. We are convinced that Rosy Blue can only be commercially successful over the long term if we balance economic growth with social and environmental responsibilities.

To help achieve our vision, we have adopted a growth strategy which prioritizes 5 areas of greatest opportunity in sustainability for our business alliance.

- > Respect for Human Rights and Children Rights
- > Working conditions
- > Product integrity
- > Community empowerment
- > Environment

Around the world, we will focus on continuing to build upon our knowledge and strengthening our capabilities in these areas, while simultaneously working with our customers in our markets to address their business needs and support their strategic objectives.



"Integrating CSR into our operations will help us reduce costs, manage risks, minimise our impacts, attract and retain employees and strengthen our brand and business overall."

Rihen Mehta

Moving beyond legal compliance

Core values

Our sustainability strategy is rooted in our core values: integrity, accountability and diversity. It is built on over 50 years of heritage, achievements, and lessons learned.

- > **Integrity:** we strive to do what is right and what we say we will do
- > **Accountability:** we are keen to deliver the same promise of trust and craftsmanship to all our customers around the world
- > **Diversity:** we embrace the diverse characteristics of all people and respect them with dignity

Drivers of our CSR strategy

Our strategy is to integrate CSR in a systematic way, into all parts of our operation. Integrating CSR into our operations will help us reduce costs, manage risks, minimize our impacts, attract and retain talent and strengthen our brand and business overall. CSR is the compass that ensures we grow in a responsible way.

How we are organized - global yet local

The Rosy Blue Business Alliance operates in 14 countries. As such, each alliance entity is confronted with different challenges based on the local context in which they operate. All across The Rosy Blue Business Alliance we take a global yet local approach: we work together on a global level to develop our strategic approach while we acknowledge the local diversity within our operations. A CSR liaison meeting is periodically held between all alliance entities to collaborate in promoting CSR activities and to share knowledge and best practices across the operating companies. In general, we have enhanced collaboration with the overseas alliance entities as well as through regular exchange of the updated information on mutual CSR-related activities.

As a strategic measure with long-term consequences, sustainability management is a task for all the alliance entities around the world. Accordingly, a Global Corporate Affairs department is at the core of the leadership structure. It holds responsibility for the alignment and steering of our global sustainability strategy. It defines objectives and initiatives, adopts new regulations and adjusts policies and monitors their implementation. At a local level a high level of individual autonomy and responsibility is given to the local compliance officers to tailor global, all-encompassing directives to local national and cultural needs.

Local experts in each entity receive instructions concerning compliance to their respective entity. Random checks are made regularly and reports from such checks are filed accordingly. Strict monthly reporting on well-defined indicators is required all over the alliance entities. Whenever internal standards are not met, these issues are directly reported to the Directors and to the local Management Board by the Global Corporate Affairs department, where a corrective plan is agreed upon. In close coordination with the Global Corporate Affairs Department, the relevant CSR-AML compliance team will manage the necessary corrective actions accordingly. Progress reports are sent back to the local Management Board until the required level of compliance is reached.

Through strong cooperation between the local teams and the Global Corporate Affairs department and with our local CSR-AML experts throughout the alliance entities, everybody is continuously working to establish and maintain a comprehensive global compliance structure. This dual partnership motivates local innovation on CSR initiatives while maintaining and benefiting from alliance entities synergies.

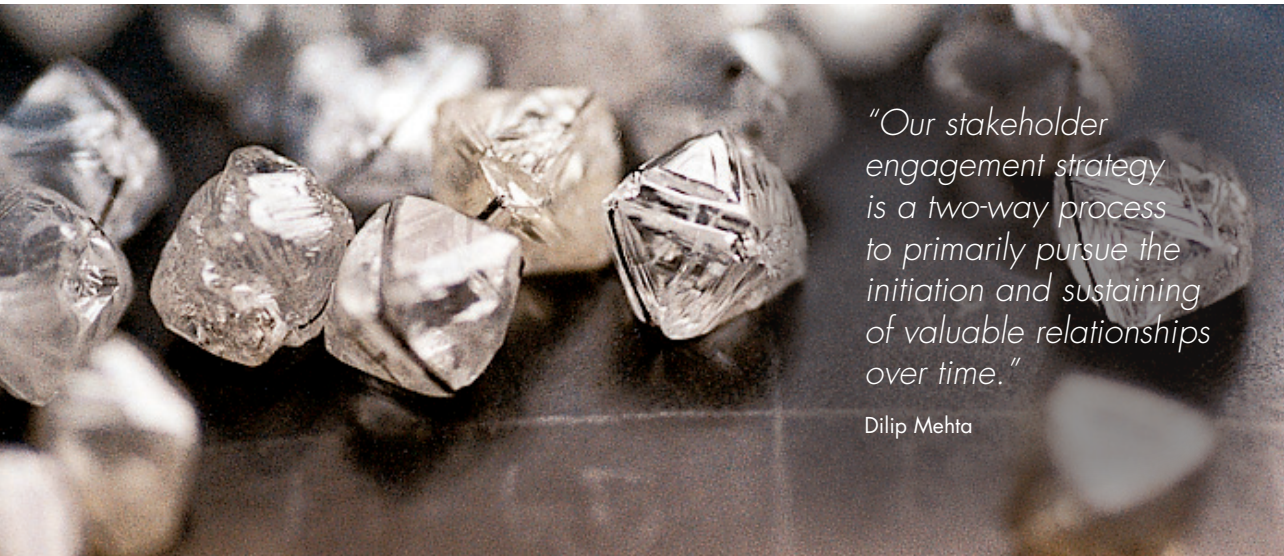
Stakeholder dialogue

We regard systematic dialogue with our stakeholders as the essential basis for building mutual understanding and trust.

We recognize that open and transparent dialogue with all our stakeholder groups is essential. In discourse with representatives of our different stakeholder groups, we openly explain viewpoints and courses of action to one another. Together, we identify challenges and analyze them from various perspectives. We therefore seek targeted dialogue with our stakeholders at the local, national and international levels. Our active participation in the UN Global Compact and the Responsible Jewellery Council, as well as our corporate partnership with Social Accountability International reflects this vision.

Overview of our most important stakeholder groups - main areas of interest and ways of engagement

	Key issues for our stakeholders	Ways of engaging with our stakeholders
Suppliers	<ul style="list-style-type: none">- Market capacity- Operational excellence- Ethical business practices- Liquidity assurance- Supplier standards	<ul style="list-style-type: none">- Direct dialogue on top and management level- Social and financial internal and external audits- Terms of business with strategic suppliers
Employees	<ul style="list-style-type: none">- Safe working environment- Inclusive and supportive company culture- Work-life balance- Rewarding Remuneration- Career development	<ul style="list-style-type: none">- Implementation of strong ethical corporate culture- Plant-based intranet sites- Newsletters and publications- Training toolkits on business ethics and code of conduct, and awareness programmes- Employee satisfaction seminars- Trade union relations- Social internal and external audits
Contractors	<ul style="list-style-type: none">- Business capacity- Business ethics- Chain of custody	<ul style="list-style-type: none">- Formal undertaking- Business partner code of conduct- On-site visits- Face to face meetings- External audits
Customers	<ul style="list-style-type: none">- Products with the highest standard of quality and integrity- Adequate product disclosure- Competitive pricing- Secured supply- Ethical business practices- Product and info security	<ul style="list-style-type: none">- Fairs and marketing events- Individual account management- Updates on market dynamics
Governments & International Organisations	<ul style="list-style-type: none">- Social and economic development- Employment opportunities- Attracting investments- Kimberley Process- Legal compliance- Ethical business practices	<ul style="list-style-type: none">- Formal dialogues- Conferences and speaking engagements at the Human Rights Working Group
Local Communities	<ul style="list-style-type: none">- Employment opportunities- Environmental concerns- Community empowerment- Ethical business practices	<ul style="list-style-type: none">- Corporate social investment projects



	Key issues for our stakeholders	Ways of engaging with our stakeholders
Financial Institutions	<ul style="list-style-type: none">- Legal compliance- Return on investment- Stable liquidity- Corporate governance- Risk management and due diligence- Transparency and liability — AML- Corporate responsibility management	<ul style="list-style-type: none">- Regular face to face meetings- Risk assessments and risk management- Site visits- Sharing results of social and financial internal and external audits
NGOs	<ul style="list-style-type: none">- Human rights- Health and safety, working conditions- Environmental concerns- Social and economic development- Ethical business practices throughout our value chain	<ul style="list-style-type: none">- Dialogue through representative organizations Antwerp World Diamond Center and Responsible Jewellery Council- Partnership Social Accountability International
Media	<ul style="list-style-type: none">- Industry challenges and developments- Social and economic development- Ethical business practices- Transparency and dialogue	<ul style="list-style-type: none">- Press releases- Interviews
Business and Representative Organisations	<ul style="list-style-type: none">- Long-term industry vision- Developing and maintaining sector standards- Responsible business practices- Industry reputation management- Product innovations- Product integrity	<ul style="list-style-type: none">- Active involvement in organizations including UN Global Compact, Kauri, Business and Society Belgium, Responsible Jewellery Council, Antwerp World Diamond Center
Academic Institutions	<ul style="list-style-type: none">- Knowledge sharing- Data market dynamics- Building talent	<ul style="list-style-type: none">- Several participations to case study research; Antwerp Management School, UGent, University of Cincinnati and University of Geneva

How Rosy Blue implements the ten Global Compact Principles

"Respect for Human Rights must be an integral part of our day-to-day activities. It is everybody's concern."

Vishal Mehta

	Global Compact Principle	Best Practice Principles	RJC Code of Practices
Human rights	1 Businesses should support and respect the protection of internationally proclaimed human rights, and:	B.6 Social responsibilities — Human rights	2.1 Human Rights 2.4 Freedom of association and collective bargaining 2.5 Discrimination 2.8 Hours of work 2.9 Remuneration
	2 Make sure that they are not complicit in human rights abuse	A.3 Business responsibilities — Kimberley Process A.5 Business responsibilities — Best endeavours	1.3 Kimberley Process 2.2 Child labour and young persons 2.3 Forced labour 2.7 Discipline and grievance procedures 2.12 Use of security personnel 4.3 Business partners — contractors, customers, suppliers and partners Labour
Labour	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	B.1 Social responsibilities — employment	2.4 Freedom of association and collective bargaining 2.10 General employment terms
	4 The elimination of all forms of forced and compulsory labour	B.5 Social responsibilities — forced labour	2.3 Forced labour
	5 The effective abolition of child labour; and	B.4 Social responsibilities — child labour	2.2 Child labour and young persons
	6 The elimination of discrimination in respect of employment and occupation	B.3 Social responsibilities — discrimination / discipline	2.5 Discrimination
Environment	7 Businesses should support a precautionary approach to environmental challenges	C.1 Environmental responsibilities — environment	3.1 Environmental protection 3.2 Hazardous substances
	8 Undertake initiatives to promote greater environmental responsibility; and	C.1 Environmental responsibilities — environment	3.3 Waste and emissions
	9 Encourage the development and diffusion of environmentally friendly technologies	C.1 Environmental responsibilities — environment	3.4 Use of energy and natural resources
Anti-corruption	10 Businesses should work against corruption in all its forms, including extortion and bribery	A.2 Business responsibilities — anti-money-laundering	1.1 Bribery and facilitation payments 1.2 Money laundering and finance of terrorism

<http://www.debeersgroup.com/sustainability/ethics/best-practice-principles/> www.responsiblejewellery.com

Our progress

- Rosy Blue NI RJC certified for three years with a full scope of 28 legal entities covering 13 countries - RJC is also a member of UN Global Compact and the ten principles are included in the RJC Code of Practices
- Rosy Blue I is in the process of being audited for RJC certification. The results will be shared in Q1 2014 Report to Society
- Country Risk Reports on Children's Rights and Business Principles by Maplecroft* for China, India, Sri Lanka and Thailand to further implement human rights including children's rights in our operations
- Launched the Children's Rights and Business Principles Forum
- Follow up guidance and implementation**
- SAI visit China in preparation of target SA8000 certification in 2013
- Training on ethics, human rights, labour rights, health and safety and code of conduct in China, India, Japan, Hong Kong, Thailand, Sri Lanka, USA and UAE
- The development of a new portal to improve reporting across all operations. This portal includes a special section for our Business Partners to manage a sustainable supply chain. The first pilot is in process Q1 2013.
- Formal undertakings contractors

- Rosy Blue NI RJC certified for three years with a full scope of 28 legal entities covering 13 countries - RJC is also a member of UN Global Compact and the ten principles are included in the RJC Code of Practices
- Rosy Blue I is in the process of being audited for RJC certification. The results will be shared in Q1 2014 Report to Society.
- Follow up guidance and implementation**
- SAI visit China in preparation of target SA8000 certification in 2013
- Country Risk Reports on Children's Rights and Business Principles by Maplecroft* for China, India, Sri Lanka and Thailand to further implement human rights including children's rights in our operations

- Focus on awareness of environmental protection in a factory environment
- Training of all compliance officers on environmental management systems - ecological footprint and resource utilisation
- Further follow up on measuring the data on business travel in 2012 to calculate and offset our footprint
- Phase 2* of Rosy Blue Going Green: Two pilot projects in a manufacturing environment to identify environmental impacts and set up concrete action plan.
- Development of new reporting templates on environment beyond travel

* Report to Society page 98-106

- Specific training on anti money laundering, anti corruption and code of conduct in China, India, Japan, USA, Hong Kong, Thailand, Sri Lanka and UAE

* External leading global risk and strategic consulting company www.maplecroft.com ** Report to Society 2011 page 65-86

Blueprint for corporate sustainability leadership

As a UN Global Compact member, the Rosy Blue Business Alliance is required to report its progress in relation to the UN Global Compact Principles on an annual basis. Being a LEAD member we demonstrate our sustainability governance and management processes through the ‘Blueprint for Corporate Sustainability Leadership’ which is also a part of the Communication on Progress.

This UN Global Compact Communication on Progress includes two parts:

- Part 1: How the Rosy Blue Business Alliance implements the ten Global Compact Principles
- Part 2: Blueprint for corporate sustainability leadership – Demonstrating leadership

The Blueprint* was developed to provide UN Global Compact participants a model for achieving higher levels of performance and generating enhanced value. It allows companies and their stakeholders to assess progress with respect to their commitment, strategy and implementation and to communicate progress effectively as they ascend the learning and performance curve. In the context of the Blueprint, corporate

sustainability is defined as a company’s delivery of long-term value in financial, social, environmental and ethical terms. It thus covers all principles and issue areas of the UN Global Compact.

The Blueprint is grounded in the two core commitments made by participating companies. It includes aspects of leadership that are considered key to maximizing results with respect to these commitments, including active engagement with the UN Global Compact locally and globally.

- The Blueprint encompasses three distinct but overlapping and synergistic dimensions:
1. Implementing the Ten Principles into Strategies and Operations
 2. Taking Action in Support of Broader UN Goals and Issues
 3. Engaging with the UN Global Compact

Each dimension contains a number of key components. In addition, several crosscutting components of leadership were identified as a crucial overlay to the three dimensions.

Each of the components within the Blueprint contains associated Action Items as shown in the Corporate Action Plan*.

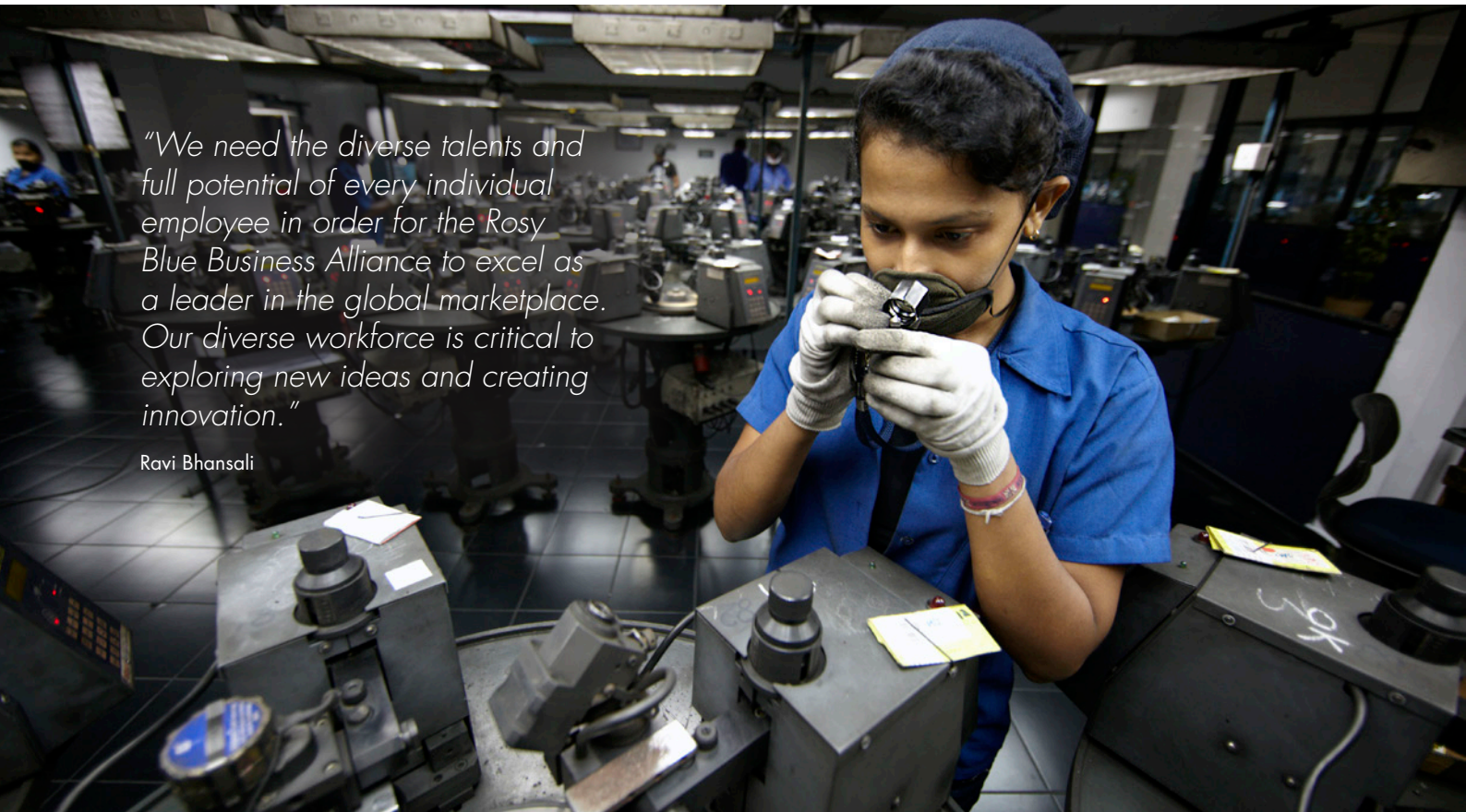
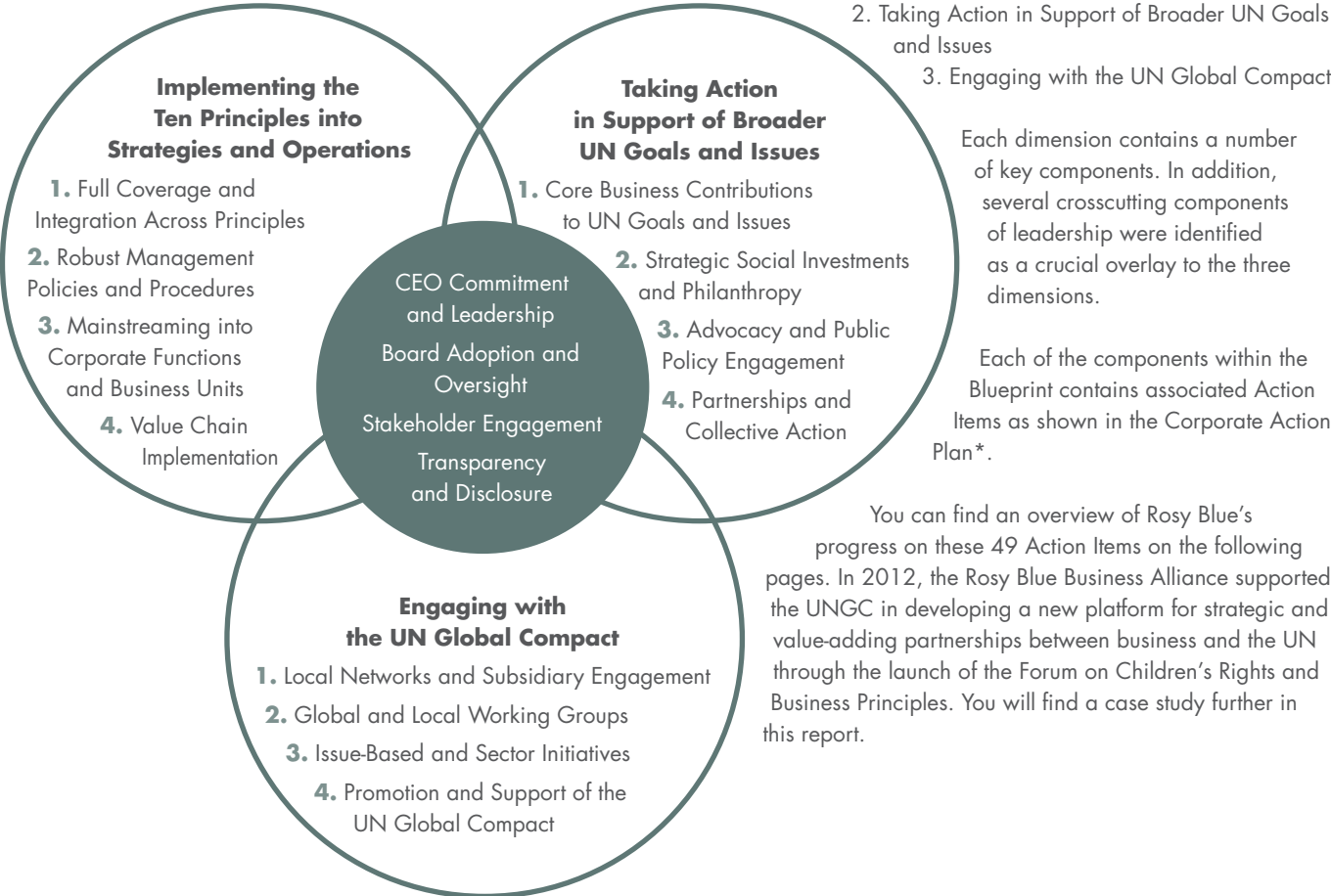
You can find an overview of Rosy Blue’s progress on these 49 Action Items on the following pages. In 2012, the Rosy Blue Business Alliance supported the UNGC in developing a new platform for strategic and value-adding partnerships between business and the UN through the launch of the Forum on Children’s Rights and Business Principles. You will find a case study further in this report.

*<http://www.unglobalcompact.org/HowToParticipate/Lead/blueprint.html>

IMPLEMENTING THE 10 PRINCIPLES INTO STRATEGIES AND OPERATIONS*

Full Coverage and Integration Across Principles

Indicator/subject	Rosy Blue Business Alliance
1 Implement all the ten UN Global Compact principles into strategies and operations	<p>Our commitment to sustainability is expressed by our active participation in important international initiatives such as:</p> <ul style="list-style-type: none"> - Responsible Jewellery Council <ul style="list-style-type: none"> - Rosy Blue NI is a founding member since 2005 - Vice-Chairman Council - Member of the Standards Committee and Communications Committee - Rosy Blue NI is RJC Certified for three years – full scope (28 entities in 13 countries) - Rosy Blue I is member since 2011 - Rosy Blue I is in process of RJC certification full scope - UN Global Compact <ul style="list-style-type: none"> - Member since 2008 - Member of the Human Rights Working Group since 2009 - LEAD member since 2011 - Chair Local Network Belgium since 2010 - Establishment of the Children’s Rights and Business Principles Forum in December 2012 (www.childrenandbusiness.be) as a result of the commitment at the LEAD meeting in Davos, January 2012 - Corporate partnership with Social Accountability International since 2011 – Focus on human rights and labour rights - Corporate partnership with Climate Miles to guide us in our long term environment strategy, Rosy Blue Going Green, to manage our offset. <p>We respect the Universal Declaration of Human Rights, and we are committed to the ILO core labour standards, the revised OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Furthermore, in 2012, we have committed to the Children’s Rights and Business Principles as we strongly believe we can create a positive impact to children throughout our operations.</p>



"We need the diverse talents and full potential of every individual employee in order for the Rosy Blue Business Alliance to excel as a leader in the global marketplace. Our diverse workforce is critical to exploring new ideas and creating innovation."

Ravi Bhansali

* For more information on the background of our sustainability journey please consult our Report to Society. https://rosyblue.blob.core.windows.net/media/Default/pdf/Rosyblue_CSR.pdf

2	Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	<p>The goal of our sustainability strategy is clearly defined. We want to demonstrate leadership in the diamond and jewellery industry by balancing economic growth with social and environmental responsibility.</p> <p>We focus on what matters for our business and our stakeholders:</p> <ul style="list-style-type: none"> - Respect for Human Rights and Children's Rights - Working conditions - Product integrity - Community empowerment - Environment <p>We acknowledge that this is a process of continuous improvement.</p>
3	Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impact	<p>At the Rosy Blue Business Alliance several committees have been established to ensure that vital cross-organisational issues and responsibilities are attended and coordinated in a timely manner. These committees are established with representation from executive and senior management that have the necessary expertise to further develop our sustainability strategy and implementation.</p> <p>Our Roadmap 2016 sets short and medium term priorities. These are managed through the local compliance officers and the people in the field. Reporting on a CSR Extranet has been established since 2007. In 2012 we have worked hard on developing a new portal to improve reporting across all operations. This portal will also include a special section for our Business Partners to manage a sustainable supply chain.</p>

Robust Management Policies and Procedures

Indicator/subject		Rosy Blue Business Alliance
4	Assess risks and opportunities on an on-going basis at both enterprise and product level and undertake due diligence to ensure that the company identifies any negative impacts caused by its operations and activities	<p>Responsible business practices form the foundation of our license to operate to market. We have developed a dynamic approach to risk and sustainability management to ensure that key issues are effectively identified, assessed and managed so they will not affect the company's ability to achieve our business objectives.</p>
5	Develop strategies and policies specific to the company's operating context – as well as scenarios for the future – and establish measurable short, medium, and long term goals	<p>In 2012, we mainly focused on the following areas:</p> <ul style="list-style-type: none"> - Human Rights and working conditions in China - SAI external audit in preparation of SA8000 certification target in China in 2013 - Ongoing training of all workers and managers - Supply chain management - Focus on awareness in anti-money laundering, Kimberly Process and System of Warranties, Human rights, Health and Safety, environment and impact of the Dodd Frank Act - Pilot project in process on the development of portal to systematically monitor and manage risks and impacts on suppliers. - Active collaboration with key customer to achieve synergy and optimize resources on the implementation of the Dodd Frank Act. - Children's Rights and Business Principles Forum (www.childrenandbusiness.be) established together with Telenet and other leading companies and organisations as a follow up of the commitment given at the LEAD meeting in Davos - Environment: 2 pilot projects developed with external partner to understand our impact in a manufacturing environment. As a result, a new reporting tool is established to drive environmental reporting for our operations that will allow us to compare data more easily. - RJC Certification full scope in Rosy Blue I in process. - Social investments: a dedicated person has been appointed to report on our impact in the communities where we operate in support of the following Millenium Development Goals: <ul style="list-style-type: none"> - MDG 2: Universal education - MDG 3: Gender equality (new commitment in 2012) - MDG 8: Global partnership

6	Engage and educate employees through training activities, the development and adjustment of business processes, and sound incentive schemes	<p>The Rosy Blue Business Alliance has a value based training framework (toolkits and face to face training) for the Business Alliance. From vision to policies, it describes how people working for the Rosy Blue Business Alliance put values into action, and it defines the principles for how the company does business. It sets direction for all our employees, and exists to assure and safeguard the strong company culture of responsible and sustainable business practices and engaged employees and stakeholders.</p> <p>In 2012, trainings were given in China, India, Japan, Hong Kong, Thailand, Sri Lanka, USA and UAE. The following topics are included in the training in reference to the policies we have on these topics:</p> <ul style="list-style-type: none"> - Bribery, facilitation payments and gifts - Anti money laundering - Kimberly process and system of warranties - Product security - Product integrity - Human rights - Child labour and young persons - Forced labour - Freedom of association and collective bargaining - Discrimination - Health and safety - Disciple and grievance procedures - working hours - remuneration - general employment terms - community engagement - use of security personnel - environmental protection - hazardous substances - waste and emissions - Use of energy and natural resources
7	Implement a system to track and measure performance based on standardised performance metrics	<p>In 2012, the following audits took place:</p> <p>Rosy Blue I:</p> <ul style="list-style-type: none"> - Internal: 3 entities were internally audited - External: 3 entities of Rosy Blue I, covering 68.95% of its employees, were audited on the BPP/ RJC standards. The two main factories of Rosy Blue I were audited on environmental performance. <p>Rosy Blue NI:</p> <ul style="list-style-type: none"> - Internal: 10 entities were internally audited. - External: 1 entity was audited against the BPP standard, two entities were audited on the Forevermark standard. Our Sri Lankan entity was also audited on ISO9001:2008 standard and on the Tiffany standard. Furthermore, three audits took place by SAI in our China entities. These audits covered a total of 53.1% of its total workforce. This figure is lower than other years, as our main factory in Thailand is relocating, and Rosy Blue NI is RJC certified full scope for three years. <p>The results of these audits including the RJC audits that are still taking place during 2013 in India, will be published in the next Report to Society.</p> <p>We use two different systems (internal monitoring on CSR extranet and external auditing) to track performance within business ethics, working conditions, occupational health and safety, environmental management, people management, suppliers, etc. The overall performance on sustainability is tracked through the monthly reports and continuous action plans are developed to improve performance.</p> <p>We report on various sustainability performance indicators through our Report to Society.</p>

Mainstreaming into Corporate Functions and Business Units

Indicator/subject	Rosy Blue Business Alliance
8 Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) and ensure that no function is operating in conflict with sustainability commitments and objectives of company	<p>Our business model is built on trust and integrity. Our task is to maintain the same Code of Ethics across our alliance. Even though Rosy Blue NI and Rosy Blue I are two independent legal entities, a Rosy Blue Brand Council has been established to oversee and protect the Rosy Blue brand. They are guided by the CSR Committee.</p> <p>The CSR Committee is responsible for reviewing and making appropriate recommendations to the different Management Boards regarding Rosy Blue's CSR management and the conduct of business in accordance with the 10 principles of the Global Compact, the RJC Code of Practices and the internal Rosy Blue Business Alliance standard.</p> <p>The members come from different operational departments and complement each other in terms of their diverse professional experience, expertise and excellent knowledge of the complex supply chain we work in. These are all assets for ensuring the quality of the committee's work and the preparation of its strategic decisions.</p> <p>The responsibilities of the CSR Committee include the following:</p> <ul style="list-style-type: none">- to review, discuss and monitor the Corporate Social Responsibility work, including all compliance standards- to monitor the progress of each entity on compliance against strategic objectives and Key Performance Indicators targets- to review and discuss the CSR initiatives and goals in light of the overall Rosy Blue Business Alliance brand strategy, including the impact of the initiatives on business objectives- to review and discuss the CSR strategy, including discussion of applicable social, economic and environmental trends- to ensure alignment between the implementation of the CSR strategy of the different Management Boards <p>For more information on the governance structure, see Report to Society page 36-41.</p>
9 Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	<p>See item 8 above. Short- and long-term corporate targets and priorities are tracked through the local compliance officers in close cooperation with the CSR Committee.</p> <ul style="list-style-type: none">- Rosy Blue I: 4 Compliance Officers- Rosy Blue NI: 21 Compliance Officers <p>This number does not include people who have been designated with certain specific CSR responsibilities.</p>
10 Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	<p>See item 3, 6 and 8 above.</p> <p>See also Report to Society page 42-48.</p>

Value Chain Implementation

Indicator/subject	Rosy Blue Business Alliance
11 Analyse each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts.	<p>Supply chain management is strategically important for the Rosy Blue Business Alliance. We strive to achieve responsible conduct throughout our supply chain as we want to manage stable and long term relationships with our business partners. This cooperation is based on our Business Partners Code of Conduct in which we document our sustainability principles and requirements.</p> <p>Product integrity is a cornerstone of our sustainability strategy. We focus on managing the different stages in the lifecycle of our diamonds. We address product integrity through the following:</p> <ul style="list-style-type: none">- Sourcing from reputable companies based on Know your Suppliers, and professionalism of the actors' practices- Rough trading and polished sales: know your customer, anti-bribery, corruption and disclosure- Manufacturing:<ul style="list-style-type: none">– Leading quality management processes in our manufacturing operations, Forever Mark programmes in selected alliance entities– Managing contractors- Open collaboration with industry partners to develop a common approach
12 Communicate policies and expectations to suppliers and other relevant business partners	<p>Rosy Blue's sustainability approach extends throughout the value chain including the company's contractors.</p> <p>Managing our contractors continues to be very challenging. We focus on 'majority contractors', being the contractors that generate 75% or more of the revenues of the contractor from one Sightholder entity. In December 2012 we had one majority contractor and 78 minority contractors for Rosy Blue (NI), and 3 majority and 60 minority contractors for Rosy Blue (I).</p> <p>Each year, these majority contractors are audited across our supply base. They are selected by SGS based on risk factors such as conditions in the country where a facility is located and the facility's past audit performance, enabling us to focus our efforts where we can have the greatest impact.</p> <p>In 2012, as a result of the risk assessment and desktop review by SGS, no majority contractor was audited. However, as we are participating in several proprietary programmes as well, two contractors of Rosy Blue NI were audited in this regard in 2012. These results will be shared in the next Report to Society. Our Business Partners Code of Conduct was revised in 2010, setting out our expectations of business partners.</p> <p>We continued to enhance awareness in 2012 by distributing our Business Partners Code of Conduct which we ask our business partners to sign off. We will continue to engage with all our contractors to contribute to a sustainable supply chain.</p> <p>We further strengthened and increased the efficiency of our compliance organization in 2012 by working closely together with our operational people, compliance officers and customers on practical tools to monitor progress.</p> <p>A major focus in Q4 2011 and 2012 was the mapping of supply chain of gold. On the basis of the data collected, an action plan was developed and the first pilot has started in Q1 2013. In line of this important exercise, we developed a business partner portal to collect the data online.</p>
13 Implement monitoring and assurance mechanisms within company's sphere of influence.	<p>See item 12 above. In addition, the Rosy Blue Business Alliance has started a more advanced level of screening its business partners via the portal that has been built in 2012 and is piloted in Q1 2013. We will continue to roll out the tool to new groups of contractors.</p>
14 Undertake awareness-raising, training and other types of capability building with suppliers and other business partners.	<p>See item 12 and 13 above. A part of Rosy Blue's responsible sourcing approach is to engage with business partners to build capabilities.</p>



"We want to help our contractors improve their long-term sustainability performance, emphasising the business benefits."

Viraj Mehta

Core Business Contributions to UN Goals and Issues

Indicator/subject	Rosy Blue Business Alliance
<p>15 Align core business strategy with one or more relevant UN goals / issues</p>	<p>The UN Millennium Development Goals (MDGs), defined by world leaders in 2000, call for global partnerships between governments, civil society and businesses. As a leading diamond and jewellery manufacturing company, we acknowledge we should participate in this global effort. The Rosy Blue Business Alliance has for many years based its business conduct on a multi-stakeholder approach by engaging in dialogue with key parties such as NGOs, governmental regulators, business partners, industry organisations.</p> <p>In 2012, we mapped our global social projects in-depth to understand our impact and to deepen our commitment by focusing on three of the MDGs:</p> <ul style="list-style-type: none"> - MDG 2: Universal education - MDG 3: Gender equality (new commitment in 2012) - MDG 8: Global partnership <p>The Rosy Blue Business Alliance is also actively involved in the Global Compact LEAD contribution to the Children's Rights and Business Principles. As a follow up of the commitment given at the LEAD meeting in January 2012 in Davos, the Rosy Blue Business Alliance took the leadership with Telenet to set up the Children's Rights and Business Principles Forum in Brussels. More information on this Forum can be found at item 21 and 23.</p>
<p>16 Develop relevant products and services or design business models that contribute to UN goals / issues</p>	<p>During 2012, we have asked external guidance from Maplecroft, one of the leading global risk researching agencies to help us understand our potential impacts on children in the workplace, marketplace and community in China, India, Thailand and Sri Lanka.</p> <p>We believe the Children's Rights and Business Principles are important as they address all the different dimensions in which children and business interact, including in the workplace, marketplace and community & environment. They help us make sure that children are seen as a key stakeholder by our business, and act as a tool for us who are comprehensively and systematically looking at what impacts, both negative and positive, our business practices are having on children.</p> <p>We see them as a great way to bring to a practical level the human rights principles of the UN Global Compact which call on business to respect and support human rights. This means that companies should avoid the infringement of the human rights of others and addressing adverse impacts, but also to seek out and act on the opportunities that exist for business to have a positive impact. The Children's Rights and Business Principles key dimension is that each of its 10 Principles addresses both the respect and support dimension.</p> <p>The principles also fit perfectly within the framework of the revised definition of the European Commission, the revised OECD guidelines, the protect respect remedy framework of Prof John Ruggie and the ISO 26000 guidelines. Looking at our operations, we believe principle 1,2,3,4 and 10 are the most relevant for our business and we recognize that the following groups of children are affected:</p> <ul style="list-style-type: none"> - Workers- either as direct employees or hired indirectly in the supply chain - Domestic workers of employees - Employees children - Citizens and members of the local community - Children who may be put at risk through the supply chain from mining to retail <p>In December 2012, the Rosy Blue Business Alliance engaged itself in a pilot project with UNICEF to actively review and provide feedback on the tools as business end-users and to learn from and debate with peer companies and experts on issues and opportunities regarding the Children's Rights and Business Principles.</p>
<p>17 Adopt and modify operating procedures to maximise contribution to UN goals / issues</p>	<p>See item 15 and 16 above. In 2012, a dedicated person has been appointed to map more in depth the structural impact we currently have. A gap analysis is in process and is being followed up in 2013. We have asked external guidance from UNICEF.</p>

Strategic Social Investments and Philanthropy

Indicator/subject	Rosy Blue Business Alliance
<p>18 Pursue social investments and philanthropic contributions that tie in with the core competences or operating context of the company as an integrated part of its sustainability strategy</p>	<p>We believe collective action and working partnerships can help address some of the world's most pressing social issues. Our approach is guided by the following three priority areas:</p> <ul style="list-style-type: none"> - Health: We support programmes that focus on innovative ways to improve healthcare quality, capacity and access. - Education: We support programmes that foster educational opportunity for children. We believe that helping to improve children's lives is one of the most responsible and important ways we can actively engage in finding solutions to global challenges. - Community: We provide financial support and employee volunteer activities with programmes that focus on solving critical community health and social issues where the Rosy Blue Business Alliance has a presence. In so doing, we are discovering better ways to enrich quality of life and realize a better society.
<p>19 Coordinate efforts with other organisations and initiatives to amplify – and not negate or unnecessarily duplicate – the efforts of other contributors</p>	<p>See item 15, 16 and 17 above on Rosy Blue's multistakeholder approach. Furthermore, we are engaged in a range of business organisations, academic partnerships and sustainability networks.</p> <p>We have developed a social investments policy and mapped our global social projects in-depth to understand our impact and to deepen our commitment by focusing on three of the MDGs: achieve universal primary education, promote gender equality and empower women, and develop a global partnership for development.</p>
<p>20 Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups</p>	<p>The Rosy Blue Business Alliance entities make decisions on local charitable donations, which have been tracked more in depth in 2012 by the company.</p> <p>A social investments policy has been developed to align our contributions and efforts to achieving Millennium Development Goals (MDG 2, 3, 8).</p>



"We believe an ethical, diverse supply chain is a vital part of our business. We want to partner with companies that share our vision on doing business the right way."

Amar Kothari

Advocacy and Public Policy Engagement

Indicator/subject	Rosy Blue Business Alliance
21 Publicly advocate the importance of action in relation to one or more UN goals / issues	<p>In 2012, we focused on two important areas: children’s rights and supply chain management. We continuously engage in mutually beneficial dialogue with government and communities, suppliers and customers, financial institutions at local, national and international level through our interactions and projects to advocate the importance of action in relation to UN goals and issues.</p> <ul style="list-style-type: none">- Membership of the Responsible Jewellery Council<ul style="list-style-type: none">o Vice-Chairman Councilo Member of the Standards Committee and Communications Committee- UN Global Compact<ul style="list-style-type: none">o Chair Global Compact Network Belgiumo Member of the Human Rights Working Group. Attendance meeting in Geneva December 2012.o Attendance LEAD meeting in Davos January 2012o Establishment of the Children’s Rights and Business principles Forum (www.childrenandbusiness.be) as a result of the commitment at the LEAD meeting in Davos, January 2012.- Organisation for Economic Cooperation and Development (OECD)<ul style="list-style-type: none">o The Rosy Blue Business Alliance participated in a multi stakeholder panel discussion at the OECD fourth meeting on implementation of due diligence in the 3T and Gold supply chains held on 28-30 November 2012. The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas provides management recommendations for global responsible supply chains of minerals to help companies to respect human rights and avoid contributing to conflict through their mineral or metal purchasing decisions and practices.- Academic engagement with Antwerp Management School, University of Cincinnati and University of Geneva.- Advisory board member of the Diamond Empowerment Fund
22 Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals / issues	See item 21 above.

Partnerships and Collective Action

Indicator/subject	Rosy Blue Business Alliance
23 Develop and implement partnership projects with public or private organisations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	<p>In 2012, the Rosy Blue Business Alliance has been built a multi-sector partnership to support Children’s Rights and Business Principles in Belgium and abroad. The partnership’s mission is</p> <ul style="list-style-type: none">- To create awareness on the important role business already plays and to offer a welcome new perspective that can help CEO’s, managers and workers to greater levels of implementation of the principles.- To create valuable partnerships and other forms of collective action in advancing Children’s Rights. <p>In the presence of HRH Princess Mathilde of Belgium and Deputy Prime Minister and Minister of Foreign Affairs and European Affairs Didier Reynders, the following partners participated:</p> <ul style="list-style-type: none">- the Belgian Ministry of Foreign affairs- the Council of Europe- the European Commission- the King Baudouin foundation- Global Compact Office New York- Global Compact Network Belgium- UNICEF- Save the Children- Children’s rights commissioner office- Antwerp Management School- Private sector

24 Join industry peers, UN entities and/ or other stakeholders in initiatives that contribute to solving common challenges and dilemmas at the global and/ or local levels with an emphasis on initiatives that extend the company’s positive impact on its value chain	See item 23 above. Furthermore, we are actively involved in the Responsible Jewellery Council.
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ENGAGING WITH THE UN GLOBAL COMPACT

Local Networks and Subsidiary Engagement

Indicator/subject	Rosy Blue Business Alliance
25 Contribute to the building and operating of at least one UN Global Compact Local Network and help elevate performance of other companies through training, mentoring, COP peer review, etc.	<p>As we cofounded and chair the local network in Belgium, we regularly host and attend meetings of the UNGC Belgium Network, sharing best practices for implementation among different industries.</p> <p>This Communication on Progress will have a peer review by the UNGC Belgian Network in 2013.</p> <p>Currently, Rosy Blue does not have representation in UNGC Local Networks in other markets in which we operate. We willingly share our approach, experience and lessons learned with other companies at global sustainability/CSR conferences.</p>
26 Encourage subsidiaries to engage with UN Global Compact Local Networks and to participate actively in events and activities	Our commitment to UNGC is business alliance-wide.
27 Publish sustainability information related to each individual subsidiary separately or reference it explicitly in the Communication on Progress of Corporate Headquarters	Our Report to Society represents consolidated information on the sustainability performance of the business alliance. As mentioned in the introduction Rosy Blue I is in process of RJC certification audits (full scope) and the results of the progress made will be shared in next Report to Society.

Global and Local Working Groups

Indicator/subject	Rosy Blue Business Alliance
28 Participate in relevant global or local working groups and share experiences, networks, tools and good practices with other UN Global Compact participants	See item 23 and 25.
29 Take active part in defining scope and objectives of new working groups when relevant	See item 21 and 23.

Issue-Based and Sector Initiatives

Indicator/subject	Rosy Blue Business Alliance
30 Join and help advance one or more existing UN Global Compact initiatives, e.g. Caring for Climate, CEO Water Mandate, Women's Empowerment Principles, and Global Business Initiative on Human Rights	The Rosy Blue Business Alliance is committed to the Children's Rights and Business Principles. The Rosy Blue Business Alliance is member of the Global Compact Human Rights Working Group.
31 Spearhead need-driven development of new issue-based or sector initiatives within the UN Global Compact and the wider United Nations	In 2012, we achieved the establishment of a Forum on Children's Rights and Business Principles in Belgium. A follow up action plan is in progress

Promotion and Support of the UN Global Compact

Indicator/subject	Rosy Blue Business Alliance
32 Advocate the UN Global Compact to business partners, peers and the general public	As we chair the Global Compact Network Belgium, the Rosy Blue Business Alliance promotes the UNGC platform in Belgium and abroad. Throughout all our relationships with our stakeholders we promote the ten principles of the UN Global Compact.
33 Encourage suppliers and other business partners to join the UN Global Compact, and take on mentoring role on issues related to the initiative	All ten principles of the Global Compact are incorporated in Rosy Blue's Business Partners Code of Conduct. <ul style="list-style-type: none"> - Principles 1–2 Human rights (responsible sourcing, diversity, forced labour, child labour, remuneration, working hours, freedom of association) - Principles 3–6 Labour (responsible sourcing, forced labour, child labour, remuneration, working hours, freedom of association, workplace conditions and health and safety). - Principles 7–9 Environment (through environmental management systems, responsible sourcing, product integrity): - Principle 10 Anti-corruption (business integrity, management systems, responsible sourcing)
34 Participate in activities to further develop and strengthen the UN Global Compact	<ul style="list-style-type: none"> - Membership of the Human Rights Working Group since 2009. - Chair Global Compact Network Belgium since 2010 - Membership LEAD since 2011 - Launch of the Children's Rights and Business Principles Forum in 2012 - Further promotion of the Global Compact within the Responsible Jewellery Council

"We create lifetime customers based on integrity and respect in everything we do."

Atul Jhaveri

THE CROSS-CUTTING COMPONENTS

CEO Commitment and Leadership

Indicator/subject	Rosy Blue Business Alliance
35 CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	Our leadership statement on page 4-5 demonstrates the commitment. Furthermore, our managing directors participated in various conferences.
36 CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	See item 35 above.
37 CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	The managing directors are held accountable for the non-financial performance of the company by the Rosy Blue Brand Council. Our sustainability approach is executed through our local compliance officers, in close coordination with the CSR Committee. See also item 3 above.
38 Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	We have a global yet local approach and there is a strong cooperation between the CSR Committee and local CSR experts, supported by the top of the company. The Rosy Blue Brand Council oversees the development of the corporate strategy and long-term targets.

Board Adoption and Oversight

Indicator/subject	Rosy Blue Business Alliance
39 Board of Directors (or equivalent) assumes responsibility and oversight for long term corporate sustainability strategy and performance	See item 3 and 38 above.
40 Board establishes, where permissible, a committee or assigns an individual Board member with responsibility for corporate sustainability	<p>See item 3 and 38 above.</p> <p>The CSR Committee is responsible for reviewing and making appropriate recommendations to the different Management Boards regarding Rosy Blue's CSR management and the conduct of business in accordance with the 10 principles of the Global Compact, the RJC Code of Practices and the internal the Rosy Blue Business Alliance standard.</p> <p>The members come from different operational departments and complement each other in terms of their diverse professional experience, expertise and excellent knowledge of the complex supply chain we work in. These are all assets for ensuring the quality of the committee's work and the preparation of its strategic decisions.</p> <p>See also item 8 above</p>
41 Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	The Rosy Blue Brand Council approves the sustainability reporting and signs off for the Report to Society.

Stakeholder Engagement

Indicator/subject	Rosy Blue Business Alliance
42 Publicly recognise responsibility for the company's impacts on internal and external stakeholders	<p>Our stakeholder engagement strategy is a two way process to primarily pursue the initiation and sustaining of valuable relationships over time. Constructive dialogue is the foundation of Rosy Blue's approach.</p> <p>Our aim is:</p> <ul style="list-style-type: none">• To provide the opportunity for our stakeholders to raise their concerns• To continue to build trusted relationships and establish partnerships to find common solutions• To update our stakeholders on our CSR efforts• To obtain insight on how we can move forward and always improve our practices <p>The Rosy Blue Business Alliance developed a stakeholder engagement plan covering the mapping of stakeholders and their key concerns so that we could tailor our communication channels to their needs and obtain common solutions. We identified several stakeholders, including suppliers, employees, contractors, customers, governments, international organisations, local communities, financial institutions, NGO's, media, business organisations, representative organisations and academic institutions including civil society, industry, government, consumers and shareholders. We do this through the networks and organisations that we participate in (see item 21 above) through direct dialogues, and by providing our stakeholders with formal communication channels as a structured part of our outreach strategies on issues and challenges.</p> <p>Out of our consultation we have learned that our stakeholders find it utterly important to receive credible, external verification on a regular basis. As a response to this concern, we found a common solution in our formal partnership with Social Accountability International. The Rosy Blue Business Alliance aims to continuously uplift its development and implementation of management systems, both in the company and throughout its supply chain. SAI will provide the Rosy Blue Business Alliance with corporate member advisory support, project management, and supply chain management training and tools.</p> <p>An overview of our most important stakeholder groups and their main interests can be found in this Communication on Progress report on page 16-17.</p>
43 Define sustainability strategies, goals and policies in consultation with key stakeholders	See item 42 above.
44 Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	See item 42 above.
45 Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'	<p>Addressing concerns is an integrated part of business and takes place through our Open Communication policy. Our employees can raise concerns. We encourage our employees to discuss these issues in the first place with their managers or with dedicated internally appointed people. In our training we clearly mention that there will be no repercussions when they report any issues.</p> <p>Externally, we have a point of contact csr@rosyblue.com to share ideas, raise concerns or ask for input.</p>

Transparency and Disclosure

Indicator/subject	Rosy Blue Business Alliance
46 Share sustainability information with all interested parties and respond to stakeholder inquiries and concerns	This is part of our reporting to society that can be downloaded on our website.
47 Ensure that Communication on Progress covers all aspects of the Leadership Blueprint and utilise, where appropriate, the Global Reporting Initiative framework	The UNGC CoP and Global Reporting Initiative are supplementary reporting to our Annual Report, and can be downloaded via our Annual Reporting webpage. Reference: Global Reporting Initiative at 2012 Annual Reporting webpage
48 Integrate Communication on Progress into annual financial report or publish them together	Our Report to Society and our Communication on Progress Report reflects the progress made in the areas of respect for human rights and children's rights, working conditions, product integrity, environment and communities.
49 Secure external verification of Communication on Progress or seek other methods for legitimisation by external stakeholders	In a period of transition, our next Report to Society will be online and the data will be externally verified. This COP (including a presentation) will be reviewed by the local Global Compact Network Belgium.



"In today's competitive and dynamic marketplace, customer satisfaction is crucial to securing a leading edge. The Rosy Blue Business Alliance is committed to innovation and to delivering the best products and services, thereby improving people's quality of life and contributing to a better global society."

Mayank Mehta

How Rosy Blue contributes to the Millennium Development Goals

Over and above our aspirations to meet the 10 Principles of the UNGC, the Rosy Blue Business Alliance supports the UN in achieving its broader goals and issues. In 2012, we mapped our global social projects in-depth to understand our impact and to deepen our commitment by focusing on three of the MDGs: achieve universal primary education, promote gender equality and empower women, and develop a global partnership for development. Here are just a few examples of how our alliance entities have an important impact on these MDGs.

MDG	Why is this issue critical	How Rosy Blue contributes to this goal
MDG 2: Universal education	<p>A completed primary education is a basic human right and is necessary for enjoying many other rights. It is transformative and empowering, and a means for accessing broad economic, social, political and cultural benefits. Primary education is a powerful driver for realizing all of the MDGs and for sustainable development more generally.</p> <p>There are currently an estimate 61 million primary school-age children who are not in school. Of these children, 47 per cent are expected to never enter school, 26 per cent have attended but left school, and the remaining 27 per cent are expected to enter school in the future*. Access to basic education lies at the heart of development. Lack of educational access, and securely acquired knowledge and skill, is both a part of the definition of poverty, and a means for its diminution. Sustained access to meaningful learning that has utility is critical to long term improvements in productivity, the reduction of inter-generational cycles of poverty, demographic transition, preventive health care, the empowerment of women, and reductions in inequality.</p> <p>Enrolment in primary education has continued to rise in the developing world. But the pace of progress is insufficient to ensure that, by 2015, all girls and boys complete a full course of primary schooling.</p>	<p>In Sri Lanka, we support several local schools by providing supplies, safe water and sanitation. Water, sanitation and hygiene are crucial to getting and keeping children in school.</p> <p>By funding schooling constructions, books, teacher salaries, information technology we have improved the literacy of children from underprivileged backgrounds in India. For example, we have established a very strong educational programme that reaches 38,000 male students and 32,000 female students in Banaskantha, Gujarat.</p> <p>Another example is our ongoing support to the Ekal Vidyalaya Foundation of India. This is an independent non-governmental organization that relies on individual contributors to help fund schools. The Ekal Vidyalaya movement aims to help eradicate illiteracy from rural and tribal India by 2015. To date, Ekal Vidyalaya is a movement of over 34,343 teachers, 6,000 (approximately) voluntary workers, 22 field organizations (scattered in 22 Indian states), and 8 support agencies as on January 2011. With this tremendous human force, the Ekal Vidyalaya movement strives to create a network of literacy centres that will educate and empower children in rural and tribal India. Ekal Vidyalaya goes beyond mere literacy. Apart from its goal of achieving the national standards of Minimum Level of Learning for its students, Ekal Vidyalaya also seeks to empower the village community for its own self-development. Ekal Vidyalaya solicits complete involvement of the local community to achieve this goal.</p> <p>Rosy Blue also supports the Vatsalya Foundation in India. By direct action and intervention, the Vatsalya Foundation aims to provide a caring environment where disadvantaged and vulnerable people can develop their capabilities with dignity.</p>

*http://www.unicef.org/education/bege_61657.html

“Eradicating extreme poverty continues to be one of the main challenges of our time, and is a major concern of the international community. Ending this scourge will require the combined efforts of all, governments, civil society organizations and the private sector, in the context of a stronger and more effective global partnership for development. The Millennium Development Goals set timebound targets, by which progress in reducing income poverty, hunger, disease, lack of adequate shelter and exclusion - while promoting gender equality, health, education and environmental sustainability - can be measured. They also embody basic human rights - the rights of each person on the planet to health, education, shelter and security. The Goals are ambitious but feasible and, together with the comprehensive United Nations development agenda, set the course for the world’s efforts to alleviate extreme poverty by 2015.”

Ban Ki-moon
Secretary-General of the United Nations

MDG	Why is this issue critical	How Rosy Blue contributes to this goal
MDG 3: Promote gender equality	<p>The health of women and children is critically important to almost every area of human development and progress, and directly impacts our success in achieving all of the Millennium Development Goals, adopted by world leaders in 2000.</p> <p>Research has conclusively demonstrated that the health of women and children is the cornerstone of public health. Healthy women and children create healthy societies. Healthy societies, in turn, are the foundation upon which nations build successful economies and create prosperity for their people. And prosperity, as we know, is essential to political stability and social harmony.</p>	<p>Since 1998, we have a women welfare programme in India to encourage female family members of our company’s employees to work.</p> <p>Rosy Blue aims to empower women by providing entrepreneurial and workforce skills via the ‘Learn and Earn’ programme. Originally, the focus was on craftsmanship skills such as stitching, soft toy making, embroidering, kroshiya work,... Today, the programme includes a broad scale of training skills such as English, finance, marketing and health workshops.</p> <p>This partnership is a unique opportunity to enable women to contribute to their family’s financial success. This programme educates and empowers women with the skills and confidence necessary to find a job, maintain a healthy lifestyle for their family and obtain a voice.</p>
MDG 8: Global Partnership	<p>Public private partnerships are an important tool that can be utilized to reach the Millennium Development Goals. The boundary between government and businesses remains important today but their interconnection is changing. There is a nexus between the public sector’s needs and the private sector’s goals. There is a need to engage private actors to set good examples or work more closely together with governments and ngo’s to understand the real issues out there and more important, find balanced constructive solutions that make sense.</p>	<p>Rosy Blue takes a leadership role in multistakeholder initiatives and forums including:</p> <ul style="list-style-type: none">- Participation in the UNGC as a LEAD member- Launch Children’s Rights and Business Principles Forum in cooperation with different public and private partners. (www.childrenandbusiness.be)- Participating in a pilot project with UNICEF to actively review and provide feedback on the tools as business end-users and to learn from and de-bate with peer companies and experts on issues and opportunities regarding the Children’s Rights and Business Principles.- Providing representation in the Advisory Board of the Diamond Empowerment Fund- Providing representation in the Responsible Jewellery Council

Case Childrens Rights and Business Principles



Background*

Despite a plethora of international initiatives on CSR the past 10 years, none has focused exclusively on the impact of business on Children's rights. This is a curious omission as businesses everywhere have significant impacts on children.

Developed by UNICEF, the UN Global Compact and Save the Children – the Children's Rights and Business Principles are the first comprehensive set of principles to guide companies on the full range of actions they can take in the workplace, marketplace and community to respect and support children's rights. While the business and human rights agenda has evolved significantly in recent years, a child rights perspective has not yet been explicitly addressed.

Recognizing the important contribution that business can make in shaping these Principles and ensuring their relevance to business operations, the partners launched an extensive multi-stakeholder consultation process involving business, civil society, governments and children across sectors and geographies. Representatives of more than 600 business, civil

society, government and academic entities participated in face-to-face consultations in 11 countries, as well as through online consultations. The process included consultations with more than 2,000 children in nine different countries. An online feedback channel was also launched by the Business and Human Rights Resource Centre.

The Principles also elaborate on existing standards for business, such as the UN Global Compact's ten principles and the Guiding Principles on Business and Human Rights endorsed by the UN Human Rights Council: States have the duty to protect, respect and fulfill children's rights. For the purposes of these Principles, "Respect" and "Support" are defined as:

* http://www.unglobalcompact.org/Issues/human_rights/childrens_principles.html

- CORPORATE RESPONSIBILITY TO RESPECT: avoiding any infringement on the human rights of others, including children, and addressing any adverse human rights impacts with which the business is involved. The corporate responsibility to respect applies to the business' own activities and to its Business Relationships, linked to its operations, products or services.
- CORPORATE COMMITMENT TO SUPPORT: in addition to respecting human rights, helping to advance human rights, including children's rights, through core business activities, strategic social investments and philanthropy, advocacy and public policy engagement, and/or working in partnership and other collective action. In this document, the phrase "children's rights" is synonymous with the "human rights of children".

The Principles are designed to serve as a unifying framework and reference point for existing and future initiatives concerning business and children and present a coherent vision for business to maximize the positive impacts and minimize negative impacts on children. They set out corporate actions to respect and support children's rights, as outlined by the Convention on the Rights of the Child and ILO Convention No. 138 on Minimum Age and ILO Convention No. 182 on Worst Forms of Child Labour.

The importance of the Children's Rights and Business Principles

Children's rights were ranked as the third most important human rights issue for 2012 by the Institute for Human Rights and Business. Children under 18 years account for almost one third of the world's population. In many countries, children and youth make up almost 50% of the national population.

The Rosy Blue Business Alliance believes that children are key stakeholders of business. Companies interact with them on a daily basis, both directly and indirectly. They are family members of employees, can be young workers, future employees and business leaders. At the same time, they are key members of the communities and environments in which we operate.

In many countries, children are increasingly recognized as a consumer group themselves, with discretionary income to spend and increased influence on family purchases. They are a market force to be reckoned with, but nonetheless need protection from inappropriate advertising and from unhealthy or unsafe products and services. So it is clear that business has enormous power to protect.

"This Children's Rights and Business Principles topic touches me deeply. My father was born in 1933 in a small town named Patan, in the State of Gujarat. Like many of India's children, his life was far from divine. His mom passed away when he was 2 years old, 3 years later he lost his dad. Survival was his only option. He started to work at a workshop of a diamantair at the age of 14. He was working long hours for 30 cents a month while one needed 50 cents for very basic food needs. It was total exploitation. Eventually, after few years, he had saved enough money to start a business partnership with Arun Mehta – his nephew who wanted to sell the diamonds that my dad was cutting. So they started a company called: B Arunkumar which subsequently rebranded itself as Rosy Blue. Although the example of my father's exploited and humble beginning turned out to be a successful and happy life; not every exploited child will have the same fate. We must agree that children should not be exploited under any circumstances."

Amit Bhansali



The Principles in action

The first step: commitment.

For the Rosy Blue Business Alliance commitment is a natural step. The best interests of children have always been at the center of our community investments. For over 50 years we have built capacity as well as infrastructure mostly in the communities where we have operations. We build eye clinics; distribute educational material, support schooling logistics, develop health programs etc. But social investments and philanthropy are not enough. As a company we must take more actions. This is why in January 2012, during the Global Compact LEAD meeting at the World Economic Forum in Davos the Rosy Blue Business Alliance reconfirmed its commitment to do an extra effort and promote the Children's Rights and Business Principles in Belgium and abroad. The result of the commitment is the launch of the Children's Rights and Business Principles Forum in Brussels.

The second step: assessing your impact on children's rights.

The question the Rosy Blue Business Alliance has asked itself is how and where we can make a substantial difference in the lives of children.

Looking at our operations, we believe principle 1,2,3,4 and 10 are the most relevant for our business and we recognize that the following groups of children are affected:

- Workers, either as direct employees or hired indirectly in the supply chain
- Domestic workers of employees
- Employees children
- Citizens and members of the local community
- Children who may be put at risk through the supply chain from mining to retail

In order to really determine what the Rosy Blue Business Alliance can do to protect children's rights, it is important to have a clear picture of the risks involving them in the countries where we have operations. That is why we have asked external guidance from Maplecroft, one of the leading global risk researching agencies, to help us understand our potential impacts on children in the workplace, marketplace and community in China, India, Sri Lanka and Thailand. These data give us a clear picture on the potential risks and opportunities to Rosy Blue's operations and help us make the right strategic decisions.

The third step: integration and action.

Let us take the example of Rosy Blue's operations in Thailand. Looking at some of the facts highlighted in the Maplecroft due diligence report on Thailand, we noticed that Thailand represents a high risk for children.

Approximately 7.7% of Thailand's children under 15 years are working of which 20,000 children labour on the streets. Immigrants and poor families rely heavily on the income from child labour. The majority of children trafficked from neighbouring countries like Laos and Cambodia are found employed in agriculture, domestic work, fish processing, street vendors and garment production. Women and girls belonging to ethnic minorities and from poor rural areas are most vulnerable.

In Thailand, 10,8% of the population live in extreme poverty and many families survive only on the bare minimum, causing an adverse impact on access to education and other basic services. AIDS is a big issue in Thailand. Children affected are often neglected or abandoned and girls are particularly vulnerable to the pervasive sex tourism.

In addition, natural disasters represent an extreme risk to children's rights, where the poorest communities are the most vulnerable. With an estimated nine million people affected by floods in 2011, efforts to reduce levels of poverty are likely to stall in the short to medium-term.

Thailand has not ratified all of the main international labour rights and health and safety standards conventions, thus presenting a higher risk to businesses operating in or sourcing from the country. Furthermore, poor working conditions are common due to the poor enforcement of existing labour regulations. The country has one of the highest incidences of long working hours in the world and fails to provide effective and comprehensive protection of young workers.

Over the past ten years, the Rosy Blue Business Alliance has been taking actions that build and support children's rights. To improve and protect the rights of children through our operations we support the parents in their role as caregiver, providing decent work with an adequate living wage and good working conditions.

Before this year's revision of the legal minimum wage by the Thai government, for years the Rosy Blue Business Alliance already had a salary package into place that rewarded our people 40 to 60% more than the national minimum wage. It is good that the government has uplifted the wage structure as we strongly believe that if families have decent income, children have better chances for access to education, wellbeing and development.

To help in this journey the Rosy Blue Business Alliance opted for the SA 8000 management system, which is one of the world's first auditable social certification standards for decent workplaces, across all industrial sectors. We have achieved certification since 2006 onwards until mid 2012 as we are currently building a new factory and hiring many new polishers. Our new target date for SA8000 certification is the first quarter of 2014.

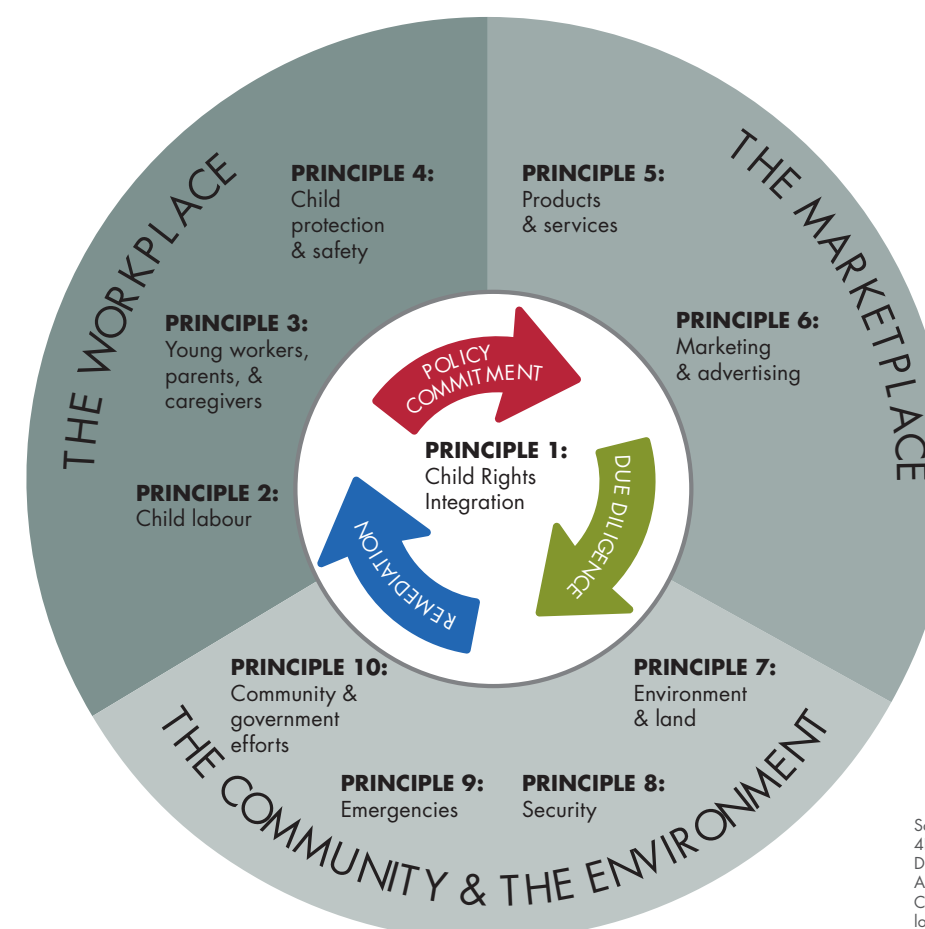
The factory also goes beyond compliance to maintain its excellent health and safety records. The Ministry of Labour granted the factory an impressive award for having operated for seven million hours with zero accidents.

The Rosy Blue Business Alliance tries to support its employees

All businesses should:

- 1 Meet their responsibility to **respect children's rights** and commit to supporting the human rights of children
- 2 Contribute to the **elimination of child labour**, including in all business activities and business relationships
- 3 Provide decent work for **young workers, parents and caregivers**
- 4 Ensure the **protection and safety of children** in all business activities and facilities
- 5 Ensure that **products and services are safe**, and seek to support children's rights through them
- 6 Use **marketing and advertising** that respect and support children's rights
- 7 Respect and support children's rights in relation to the **environment and to land** acquisition and use
- 8 Respect and support children's rights in **security arrangements**
- 9 Help protect children affected by **emergencies**
- 10 Reinforce **community and government** efforts to protect and fulfil children's rights





Source: http://www.unicef.org/A18FD06C-E145-4F2F-A447-CF58DFDDAA59/FinalDownload/DownloadId-946BB49EDFCFC362AB59BE2-AA2E8C1F2/A18FD06C-E145-4F2F-A447-CF58DFDDAA59/csr/css/CSR_Workbook_A4_LR_low_res.pdf

in meeting both their work commitments and family responsibilities. Sixty percent of the employees in our factory are women who benefit from a number of family-friendly programs:

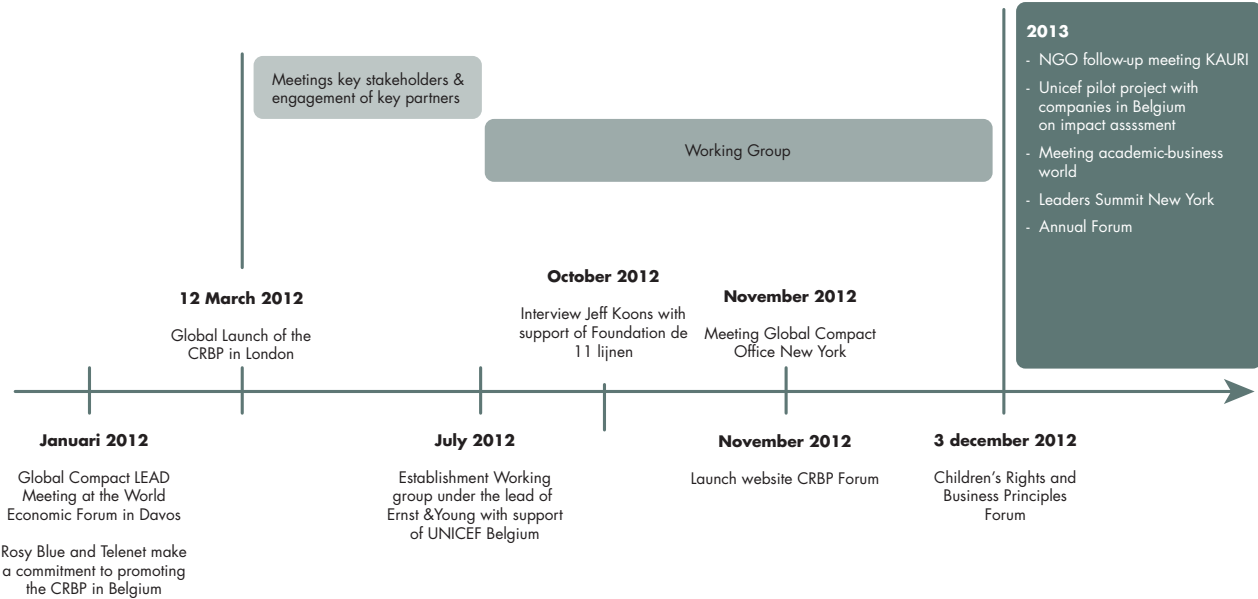
- There is an on-site nursery to assist employees when they need help with child-care during work hours
- A special program is also in place to allow mothers to continue breastfeeding upon returning to work
- General guidance and assistance is given on personal, financial, and health issues
- An annual 'children's day' is organized when the children of workers can visit their parents in their workplace and learn about what they do
- Underprivileged employees are provided housing renovations

- Scholarships to employee's children are promoted as basic education remains a challenging issue hampering the future development of Thai children

All these actions show to be very beneficial for local women and girl's rights as women are often the main caregivers.

Beyond the workplace, the Rosy Blue Business Alliance collaborates and partners up with local NGO's and local governmental agencies, on projects that respect the local community and their culture. Initiatives such as planting 60,000 trees, awareness programs on HIV/AIDS, support disaster relief initiatives, and anti-drug and tobacco education can rely on our support. These are just a few examples of how the Rosy Blue Business Alliance is implementing children's rights within the community where we have operations.

TIMELINE CRBP FORUM



The fourth step: reporting.

As the Rosy Blue Business Alliance is member of the UN Global Compact, we communicate on our performance to our stakeholders on a regular basis through our Report to Society and this Communication on Progress report.

The Rosy Blue Business Alliance does recognize that reporting on progress in children's rights implementation is new to us and that until now, we have not set up a reporting framework specifically on Children's Rights to show progress. That is why in December 2012, the Rosy Blue Business Alliance engaged itself in a pilot project with UNICEF to actively review and provide feedback on the tools as business end-users and to learn from and de-bate with peer companies and experts on issues and opportunities regarding the Children's Rights and Business Principles.

The fifth step: Remediation.

Remediation aims to enshrine one of the core rights of the Convention on the Rights of the child – child participation. As a company, the Rosy Blue Business Alliance believes it is important to develop a complaint mechanism and processes for transparency. In Thailand we organize this last step through an informal work committee for wellbeing.



The Children's Rights and Business Principles Forum in Belgium

As the Rosy Blue Business Alliance strongly believes that these Children's Rights and Business Principles create a framework and give rise to opportunities for companies and other stakeholders to engage and work to respect and support children's rights on a local level or in their global supply chain, the Rosy Blue Business Alliance made a formal commitment to His Secretary General Ban Ki Moon at the LEAD meeting at the World Economic Forum in Davos in January 2012, to promote the Children's Rights and Business Principles in Belgium and abroad.

As a result, in the presence of HRH Princess Mathilde of Belgium and Deputy Prime Minister and Minister of Foreign Affairs and European Affairs Didier Reynders, the Children's Rights and Business Principles Forum was launched by a public-private multi-sector working group at the Egmont Palace in Brussels on December 3rd, 2012. The event reached out 200 invitees from business, the public sector and civil society.

The Forum has two major objectives:

- To create awareness on the important role business already plays and to offer a welcome new perspective that can help CEO's, managers and workers to greater levels of implementation of the principles.
- To create valuable partnerships and other forms of collective action in advancing Children's Rights in Belgium and abroad.

Materials relating to the Forum, the press release and the special message for the Belgian Forum by United Nations Secretary-General Ban Ki-moon can be found at www.childrenandbusiness.be.

Conclusion

The Rosy Blue Business Alliance believes the Children's Rights and Business Principles can help companies - big and small, to analyze how they can improve the lives of children while running their operations as the fact remains that children's rights continue to be inadequately protected in the world.

We believe children are everyone's business. The leaders, inventors, decision-makers and innovators of tomorrow are the children of today. Respecting and supporting children's rights is preserving the best future of society.



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