



Ethical Sourcing Policy

Conflict-Free Diamonds

Rosy Blue NV takes the issue of ethical diamond sourcing very seriously and has a zero-tolerance policy toward conflict diamonds.

We fully support the Kimberly Process Certification Scheme, the United Nations resolutions and demand from our manufacturers and suppliers their assurances that all diamonds we buy are conflict free. KPCS certificates received from our suppliers are kept on file in our central office and compliance with the KPCS protocol is monitored and reviewed annually by our compliance officer.

We only purchase diamonds through the largest and most respected suppliers who, like us, proudly adhere to and enforce the highest compliance standards. Additionally, we only buy diamonds from suppliers we have personal relationships with dating back many years. We do not buy diamonds from unknown sources. If not direct sources, many of our suppliers are receiving their diamonds directly from primary sources, virtually eliminating the possibility of conflict.

The demand the following warranty on all incoming invoices:

*“The diamonds herein invoiced have been {sourced}/ purchased from legitimate sources not involved in funding conflict, in compliance with United Nations Resolutions and corresponding national laws {where the invoice is generated}**. The seller hereby guarantees that these diamonds are conflict free and confirms adherence to the WDC SoW Guidelines.”*

Provenance claim to exclude Zimbabwe Diamonds

Rosy Blue is committed to ensuring that the highest ethical standards are observed when sourcing our diamonds and jewelry. There have been reported human rights abuses in Zimbabwe's Marange diamond region. These include serious unresolved questions about the legal ownership of diamonds mined in the Marange region, and the fact that a number of Zimbabwean entities and individuals who are connected with diamond mining (such as Grace Mugabe and the Zimbabwe Mining Development Corporation) are on the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) sanctions list. Despite the fact that limited exports from the Marange region of Zimbabwe will have KP certificates, we believe these diamonds should be considered such a violation at the present time.

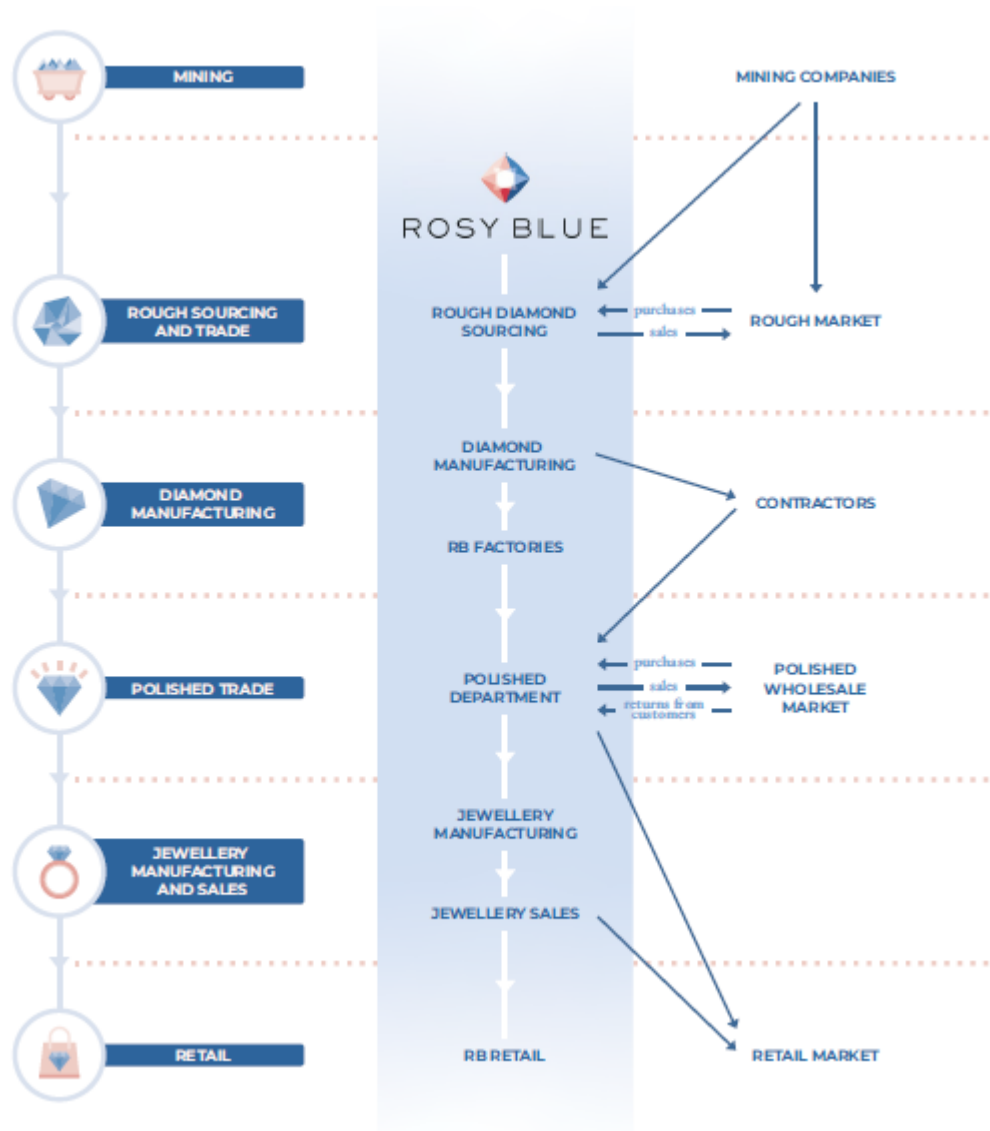


For these reasons, we have decided not to purchase or offer diamonds from that country, until additional issues are resolved.

We are requiring our suppliers to provide additional written reassurances, beyond the World Diamond Council's System of Warranties statement, that the diamonds they supply us have not originated from Zimbabwe. We have an audited RJC provenance claim to demonstrate our procedures.

“Rosy Blue NV states that the diamonds herein invoiced have not originated from Zimbabwe. Rosy Blue NV has received similar statements from its suppliers..”

Supply chain mapping



The

OECD Due Diligence Guidance provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.

= DUE DILIGENCE FOR AN ETHICAL, INTEGER PIPELINE

- a proper due diligence done by diamond companies on their suppliers and other partners, is an adequate way to stem and remediate adverse human rights impacts.
- This due diligence provision is included in the new RJC Code of Practices.
- Performing due diligence remains a very complex and time-consuming process for many diamond companies.

Enhanced supplier engagement

We are requiring our suppliers to provide additional information on the rough origin of the supplied diamonds. We formally request both rough and polished suppliers.

1. Provenance of the rough diamond: country of origin and/or mining company where the rough is coming.
2. Declaration that the goods are guaranteed to be ethically sourced, ethically manufactured

We are requiring our suppliers to adhere to our Business partner code of conduct and to complete our supplier due diligence form as part of our supply chain risk assessment.

Rough origin traceability

Rosy Blue NV is committed to knowing where our goods are coming from. To guarantee full transparency of an ethical, clean pipeline we need to know the original rough origin of all our goods.

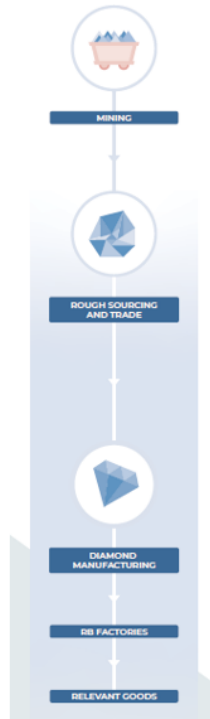
TRACEABILITY @ ROSY BLUE

SINGLE STONES IN-HOUSE MANUFACTURED

- ⇒ **Provenance traceability** back to the original rough origin (supplier, country or mine)

SINGLE STONES POLISHED PURCHASES

- ⇒ **Chain of confidence**
- ⇒ Back to a ethical origin, clean pipeline
- ⇒ Need to request the original rough origin



SMALL GOODS IN-HOUSE MANUFACTURED

- ⇒ **Mass balance traceability**, back to a MIX of rough origins

SMALL GOODS POLISHED PURCHASES

- ⇒ **Chain of confidence**
- ⇒ Back to a ethical origin, clean pipeline
- ⇒ Need to request the original rough origin



ROUGH ORIGIN IS NOT JUST THE COUNTRY **OR** THE MINE **OR** THE SUPPLIER.

SHOULD KNOW

MUST KNOW

NICE TO KNOW

Category	Supplier	Mining Company	Country	Mine
Mine		De Beers/DTC	MIX- CANADA BOTSWANA NAMIBIA SOUTH AFRICA	mix of 8 mines and 2 recovery areas
		De Beers/DTC	MIX- CANADA BOTSWANA NAMIBIA SOUTH AFRICA	
Tender (Mine)		CALENDULA	ANGOLA	
Tender (Mine)		Alrosa	ANGOLA	Catoca
Mine		Lucapa Diamond Company	Lesotho	Mothae
Tender (Mine)		Namakwa Diamonds Limited	LESOTHO	Kao
Tender (Mine)		IMDH Group (marine mining)	Namibia	(Marine mining)
Tender (Mine)		Gem Diamonds	LESOTHO	Letseng
Tender (Mine)		Gem Diamonds	Botswana	Ghaghoo
Tender (Mine)		KEM	South Africa	Kimberly
Mine		Lucara Diamond Corp	Botswana	Karowe/Boteti
		Transhex	South Africa	Namaqualand
		Petra Diamonds	South Africa	Finsch, Cullinan, Koffiefontein, Williamson
Tender (Mine)			South Africa	Jagerfonteine, Rooiport
Tender (Mine)			BOTSWANA	Jwaneng, Orapa, Lethakane, Dhamtshaa
Tender (Mine)		Privately owned	BRAZIL	Brauna
Tender (Mine)		Mountain Province Diamonds	CANADA	Gahcho Kué
Mine		RIO TINTO DIAMONDS	CANADA	Diavik
Mine		DOMINION DIAMOND MINES	CANADA	Diavik, Ekati
Tender (Mine)		Stornoway Diamond Corporation	CANADA	Renard
Mine		ALROSA	RUSSIA	
tender (Mine)		ALROSA	RUSSIA	
Mine		Anabar Diamonds	RUSSIA	Almazy-Anabara
Mine		Grib Diamond Company	RUSSIA	Grib
Mine		Nurba Diamonds	RUSSIA	NYURBA
Mine		Severalmaz Diamonds	RUSSIA	Lomonosov, Arkangelskaya
Mine		RIO TINTO DIAMONDS	Australia	Argyle
Tender (Market)			MIX-CANADA AFRICA RUSSIA	
Tender (Market)			MIX-Congo, Angola, Guinea, Canada, South Africa	
Tender (Market)			NAMIBIA	
Tender (Market)			Mix -South Africa, Sierra Leona, Australia	
			MIX/OTHER	

