



JEWELERS OF AMERICA

RESPONSIBLE DIAMONDS POSITION STATEMENT

Jewelers of America advocates the highest possible ethical, social and environmental standards in the diamond and jewelry trade and among its members.

Jewelers of America members must adhere to our Code of Professional Practices, which includes human rights, social and environmental responsible business practices.

We believe a commitment to responsible diamonds must come from every point in the supply chain to ensure that responsible practices are addressed and adhered to. Without the engagement of all segments of our industry, retailers' individual pledges to source responsibly will not be meaningful. With that in mind, we are working with a wide range of both industry and non-industry stakeholders (including the Responsible Jewellery Council(RJC), the World Diamond Council (WDC), the Diamond Development Initiative (DDI), the U.S. Department of State and non-governmental organizations (NGOs)) to support good practices at every level of the diamond jewelry supply chain. These include:

- Being a founding member of the RJC.
- Participating in initiatives such as the Kimberley Process Certification Scheme (KPCS), the United Nations-mandated system that regulates rough diamonds in order to stop the trade in conflict diamonds.
- Working with the Diamond Manufacturers & Importers Association of America (DMIA) and Jewelers Vigilance Committee (JVC) to develop the Diamond Source Warranty Protocol, a voluntary inventory management tool to help members of the trade if they desire additional assurances from suppliers that diamonds are not sourced from areas they deem questionable in relation to their business's professional standards.
- Supporting the DDI, which is working to develop standards for the artisanal mining sector.

CONFLICT DIAMONDS

Diamonds are meant to be a gift of love, and Jewelers of America abhors the way in which some gems have been used to fund conflict. To stop this practice, key industry representatives, including Jewelers of America, worked with governments and NGOs around the world to bring about the KPCS, launched in 2002. KP regulates 99% of the rough diamond trade worldwide, through a system of import/export controls that prevents conflict diamonds from entering the legitimate supply chain. KP is supported and mandated by the United Nations with 80 nations currently participating.



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Jewelers of America advises our members to ask their suppliers for written warranties (under the KPCS approved industry 'System of Warranties'), stating that their diamonds come from Kimberley-certified sources and are not involved in funding conflict.

Jewelers of America supports KP reforms, including expanding the definition of conflict diamonds to include all systematic violence and conflicts that are diamond-related.

DIAMONDS FROM ZIMBABWE

JA advises our members to take additional precautions related to diamonds from Zimbabwe. JA acknowledges Zimbabwe's achievement in meeting the KPCS minimum requirements, but notes that, regardless of Zimbabwe returning to full Kimberley Process status, the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) continues to enforce legal sanctions that prohibit all dealings, both directly and through third parties, with a number of Zimbabwean entities, including the ZMDC, that own, control or are involved in the export of Zimbabwean diamonds. As a result, JA advises members to exercise appropriate due diligence with business partners, including taking additional precautionary measures for inventory protection in order to ensure compliance with U.S. law and maintain consumer confidence in diamonds. Specifically, JA members should continue to require their suppliers to provide additional written reassurances, beyond the World Diamond Council's System of Warranties statement, that the diamonds they supply have not been obtained in violation of applicable national laws and/or sanctions.

