



ROSY BLUE

MORE THAN DIAMONDS



2020 Report

2020 has been an unbelievable year

No one could have predicted such a major health crisis, and how it would turn our lives upside down. From sacrificing our personal freedoms, to constantly worrying about our health and our loved ones, it is incredible what we have gone through, and what we have endured.

This year our business was also thoroughly tested. At the peak of the crisis, selling diamonds seemed almost impossible. And we faced challenges on all fronts.

It was a particularly difficult year for Rosy Blue, losing both our beloved founders. We miss them dearly, but their passing has served as an important reminder of who we are, and what we stand for. Our values, our priorities, and our commitments to each other, and to all of our stakeholders, are stronger than ever. And so, our company has also endured.

Our values, our priorities, and our commitments to each other, and to all of our stakeholders, are stronger than ever..

In 2021, we can see demand for natural diamonds returning. It seems that this strange year has given renewed meaning to natural diamonds, as the ultimate symbol of love. Natural diamonds are strong, rare, and irreplaceably unique. These qualities perfectly reflect the meaningful bonds between people - also strong, rare, and irreplaceably unique. The future for our business is starting to look brighter already.

We are incredibly grateful to have such a wonderful team at Rosy Blue. Everyone helped navigate their respective company under extreme circumstances, facing challenges head on, and showing a great deal of understanding and support towards one another. We are ready for the future.

Together We Are Stronger.

Together We Sparkle.

Russell Mehta
MANAGING DIRECTOR ROSY BLUE
INDIA PVT. LTD.

Ravi Bhansali
MANAGING DIRECTOR
ROSY BLUE NV



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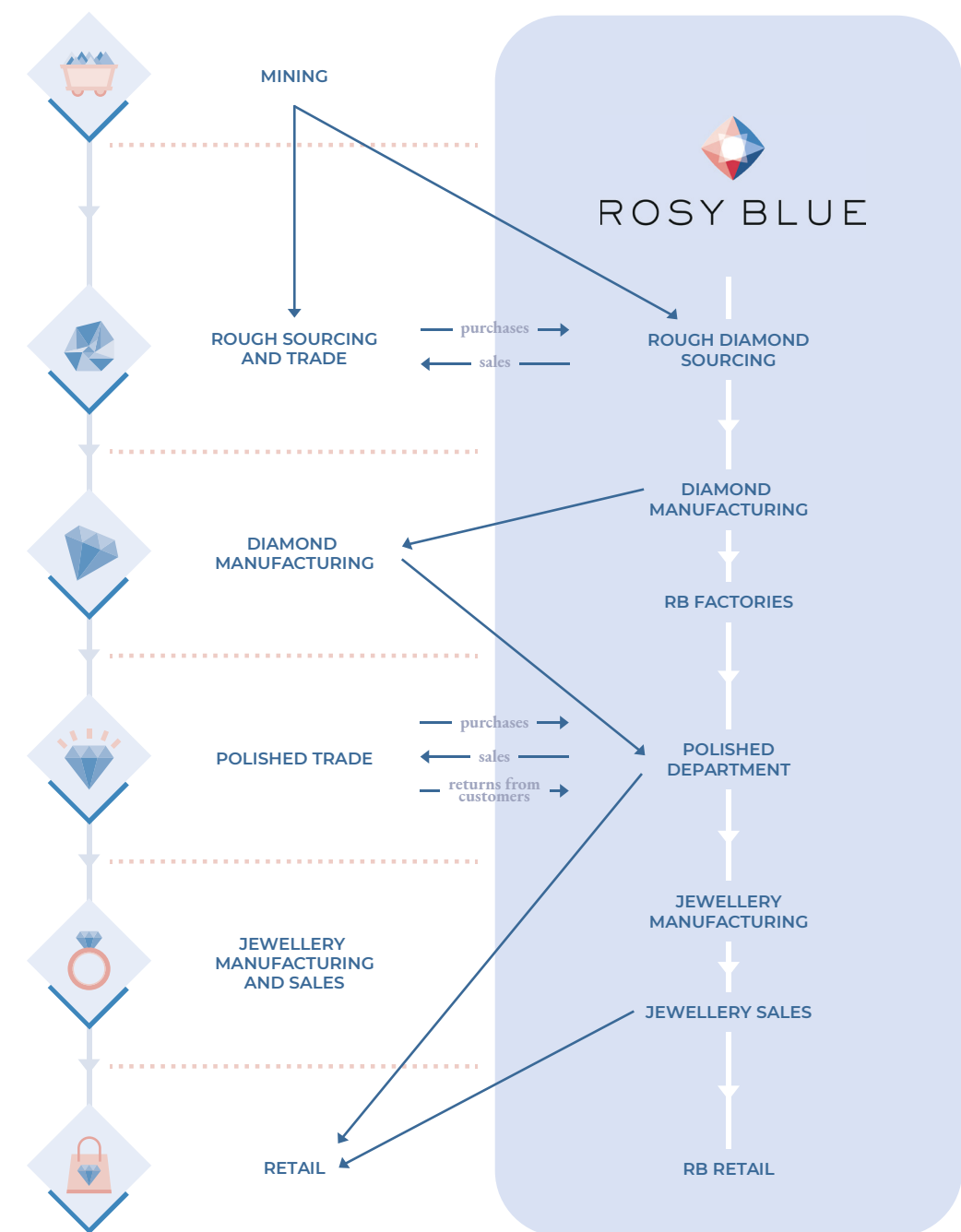
Community support & partnerships



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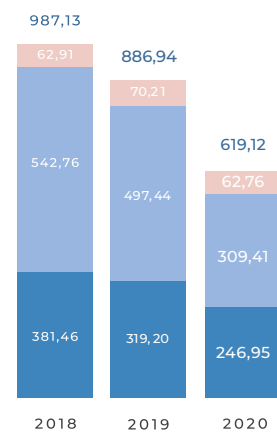
Rosy Blue at a glance

Rosy Blue began trading as B Arunkumar more than 50 years ago and continues to be a leading, trusted and successful player in the global diamond industry. Today Rosy Blue is a big brand, composed of 2 legally distinct companies associated as Business Alliance, that are active in the same activities, but in different geographies and share the same name. Each of these companies is composed of several entities that operate in 9 countries around the world.



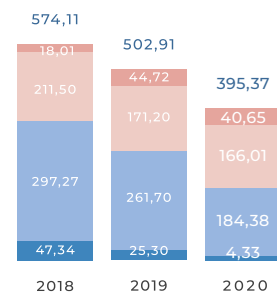
Turnover

Non India



'in million dollars'

India



ROUGH POLISHED
JEWELLERY RETAIL

'in million dollars'

G 4 - D M A

Rough sourcing & trade

Our relationship with the world's premier diamond mining companies, including the De Beers Global Sightholder Sales (DBGSS), Alrosa and Dominion Diamond Corporation, enables us to assure our client a regular supply of rough diamonds well into the future. We participate in all major tenders and auctions. Our globally spread sourcing team also buys from all rough trading centers and across a full range of goods, but only from **known and trusted suppliers**. We are extremely careful with every rough diamond that we buy, conflict-free and human rights abuse-free source. Depending on our own needs in polished stones, we trade the rough that will not be sent for manufacturing.

G 4 - 11, G 4 - D M A, G 4 - L A 14, G 4 - L A 15, G 4 - S O 9, S 4 - H R 10

Our core business: diamond manufacturing

Our manufacturing centres combine the traditions of diamond craftsmanship with the most advanced polishing technology and highest technical standards. We manage our production with an advanced series of internal

control mechanisms to drive quality and maintain the integrity of the pipeline. Because of the large proportion of in-house manufacturing, we can guarantee **transparent and respectable** practices. 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.

Manufacturing transition in 2020

In 2020 we implemented a strategic initiative in our manufacturing operations. When we started expanding our product assortment to include everything from the world's premier ideal cuts to small commercial goods, we opened or acquired new manufacturing facilities in different parts of the world. This was partly because of readily available talent suitable for a given product profile. We had invested in a Thai factory to manufacture better quality, larger pointer sizes and caraters because of readily available highly skilled and disciplined workers trained up and managed by Belgian veterans dispatched from Antwerp. Furthermore, we erected a purpose-built factory to maximize its potential.

The manufacturing sector has evolved and matured in the last decade, and the "skills gap" amongst different countries has continued to shrink. The quality of work coming out of India generally has improved dramatically and continues to improve. Furthermore, India remains competitive in terms of cost relative to other manufacturing centers.

Rosy Blue factories in India have benefited from our long-term process and quality improvement initiatives. We have committed to taking the next strategic step in manufacturing better quality, larger sizes at our factory in Mumbai. To this end, we have wound down the factory in Thailand. The Mumbai factory will be further upgraded with a broad range of improvements, both cosmetic and operational, including the relocation of advanced equipment from the Thailand factory. This factory has been included in the compliance scope of our Alliance company Rosy Blue India since 2013 and we will continue to meet the highest compliance requirements in this location.

The initiative will enable us to improve our ability to service our clients by streamlining our product-flow and internal processes.

G 4 - P R 3, G 4 - P R 4, G 4 - P R 6

Polished trade

By combining our own manufactured diamonds with polished stones sourced from the open market, we ensure a consistent depth of inventory. Our clients for polished stones are a diverse group, ranging from the world's most prestigious international brands to large chain retailers catering to every price point, as well as small, speciality jewellers.

We have teams of key account managers across the world buying and selling specific weights and qualities of polished stones. These specialists are in continuous, open communication with our rough diamond procurement operations, to quickly pass on details of a customer's requirements. This is how we tailor our rough procurement as tightly as possible to the real-time demands of our customers, creating a responsive and client-centred pipeline.



Jewellery manufacturing and sales

Intergold is the jewellery manufacturing arm of Rosy Blue India. Our marketing and distribution network spreads across the globe, with special expertise in the United States, Europe, Japan and Asia Pacific. Each zone is backed by a local service desk.



Our retail brand ORRA in India

ORRA is one of India's finest jewellery retail chains, having spread its glow with 45 stores across 24 cities.

Over the years, the brand has been able to create a niche for diamond and platinum jewellery in a market that was otherwise been dominated by a strong preference for gold.

Our global presence



9
countries



2272
people, directly employed

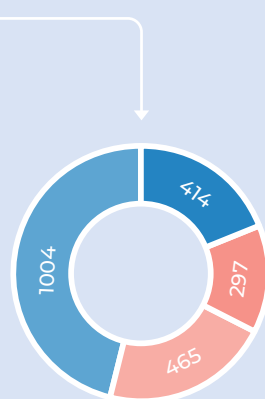


2 consolidated
manufacturing plants

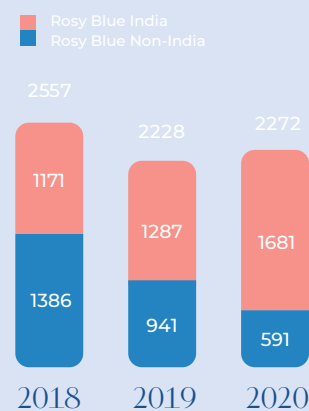


People by country

	Blue Collar		White Collar		Total
	Male	Female	Male	Female	
Belgium	0	5	31	22	58
China	61	274	3	17	355
Hong Kong	1	1	13	23	38
India	346	48	897	339	1630
Israel	0	3	5	7	15
Japan	0	0	17	27	44
UAE	0	0	43	14	57
USA	0	0	37	38	75
					2272



Workforce evolution



Activities by country

	Rough sourcing & trade	Diamond manufacturing	Polished trade	Jewellery manufacturing	Jewellery sales	Retail	Holding company	Administration
Belgium	◆		◆		◆			◆ ◆
China		◆	◆	◆				◆
Hong Kong	◆ ◆		◆ ◆	◆	◆		◆	◆
India	◆	◆ ◆	◆	◆	◆	◆	◆	◆
Israel	◆		◆					◆
Japan			◆		◆			◆
Luxembourg							◆	
UAE	◆ ◆		◆ ◆		◆			◆ ◆
USA			◆		◆ ◆			◆ ◆

◆ Rosy Blue India
◆ Rosy Blue Non-India

* During the first half of 2020 our Thai factory has wound down. Production has continued in our Mumbai factory to ensure that we continue to build on the expertise developed in Thailand and deliver the same level of quality.

Sustainability Approach

Rosy Blue has engaged in a sustainability journey since many years. In fact our sustainability vision as a family business has always been based on a model of collaboration and stakeholder engagement- it is the philosophy at the heart of the founding fathers of our company.

We were pioneers when Rosy Blue became one of the 14 founding members of RJC in 2005 and our participation to the Global Compact in 2008 also reflects the commitment to take leadership and embed responsible business practices into our operations.

Embedding sustainability into our operations takes times and it is process of continuous improvement.

Our sustainability journey

Materiality exercising: defining what's important:

We indeed were early **embarking on doing the materiality assessment** from the start of our CSR journey. We internally identified issues that were important to our business or that could affect our business, and these issues define our company strategy, our CSR targets and our CSR report. This was gradually evolving throughout the years, so to showcase this evolution for you:

1. First we started focusing on **social matters and labor rights**– achieving the highest possible standards like SA800 and RJC Code of Practices
2. Afterwards we focused on **environmental matters** on top of social. We calculated our global emissions, did energy audits, made goals to lower emissions where possible and so we reduced our carbon footprint significantly.
3. The next step were **business and product related challenges**. Our focus shifted more on naturality testing, responsible sourcing, supply chain traceability, Know Your Supplier requirements. We have now reached the stage where we have taken responsible sourcing and traceability to the highest possible level, while keeping it sustainable and commercially viable

Stakeholder consultation rounds

- We knew what's important for US but we also really wanted to understand what matters most to our stakeholders (employees, bankers, suppliers, customers etc)
- We are constantly in dialogue with them so we understand their needs and perspectives but we wanted to create a **formal stakeholder consultation**. In 2015, we started surveys and qualitative interviews about their key concerns and expectations. We worked with Antwerp Management School as an independent third party academic partner.
- We acknowledge that this is a thorough exercise and it requires a lot of strategic thinking to align the true purpose of your organisation with your business model
- Practically, we asked our stakeholders to give a score on a list of topics, on how important they believe each topic to be for Rosy Blue (importance) and how advanced they perceive us on each topic (maturity). This resulted in a materiality matrix which was very interesting for us to see the topics where we should focus most on.
- The outcome of this intensive exercise was that the following topics were identified as of critical importance to our stakeholders.
- Labour Rights
- Health and Safety
- Climate – environmental impact
- product related topics like product integrity and traceability were of increasing importance.
- This way we could always be **one step ahead**. For example, we were already doing sample testing to detect undisclosed synthetics, not because it was a compliance requirement or recommendation, but because we internally saw the need and when confirmed by our stakeholders while consulting them, we knew it was the right path to continue on and to grow in that direction.

Linking materiality with SDG's

- Since 2017 we have aligned our materiality exercise with the SDG's linking our material topics to specific SDG's and subgoals. For example all product related topics like ethical sourcing, traceability, were grouped under 'SDG 12 responsible production'
- Most important SDG's to focus on are: SDG 3 good health and wellbeing, SDG 8 decent work and economic growth and SDG 12 responsible consumption and production.

11 years of reporting

The final step has been reporting. Data is mission critical and it is often challenging to have the right parameters.

Rosy Blue has played a pioneering role in publishing annually a Communication on Progress report. So far we have published 11 CSR reports where we reported on detailed facts, figures, audit results, innovative projects and outcomes of due diligences.

Many other companies have followed our example, and this has lead to a general tendency towards more transparency in our industry.

During unprecedented Covid-19 times

For our industry -and global economy- to recover post-COVID, sustainability will not become less important at all. Having a transparent and responsible supply chain will even play a role in which industries and companies will endure and outgrow the crisis.

SDG approach

In 2016 we started including the Sustainable Development Goals in our strategy. First we used the SDG's as a framework for defining materiality, but now we are moving towards a more transformational approach.

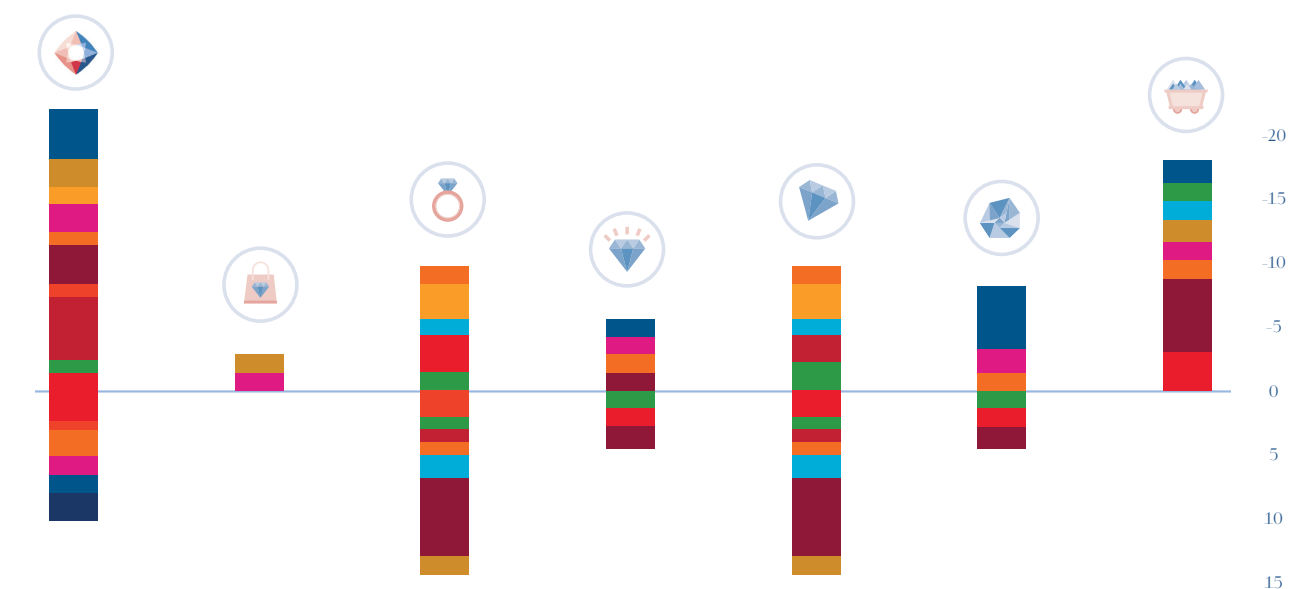
Annual impact assessment: assess the impacts we have or can have in every goal, in our own operations or in our sphere of influence. More information on detailed methodology can be found in our 2019 report.

Our self-assessment of SDG impacts led to the conclusion that we can bring a meaningful contribution to almost all (14 out of 17) SDG's. The matrix below shows our company's perception (inside-out) where we believe our impact is positive, where there is still room for improvement, and in which proportion.

Rosy Blue's contribution to the SDGs (2020 internal impact assessment)



Rosy Blue's value chain's contribution to the SDGs (2020 internal impact assessment)



Read more at: undp.org/content/undp/en/home/sustainable-development-goals.html

We can no longer give specific examples of SDG projects in 2020 as all our corporate projects and sustainability efforts are to be seen in SDG perspective.

Stakeholder consultation

Stakeholder mapping

We map our stakeholders to be able to consult them about their key concerns and expectations. Informally through the networks that we attend or participate in and annually through a formal stakeholder consultation. With our stakeholders we refer to anyone that's affected by us or affects us in any possible way. A more detailed overview of our stakeholders, key issues and ways we engage with them can be found in our 2019 CSR report.

Methodology

We surveyed a selection of 123 stakeholders, with an important influence on Rosy Blue's business during the reporting period. The survey was conducted between January 2019 and January 2020 and covered a total of 52 internal (management, employees) and 71 external stakeholders.

We surveyed them through the Goodcrowd tool, provided by the Antwerp Management School to review our SDG mapping and impact assessment and to prioritize the main SDG's they believe we could be impacting in our business.

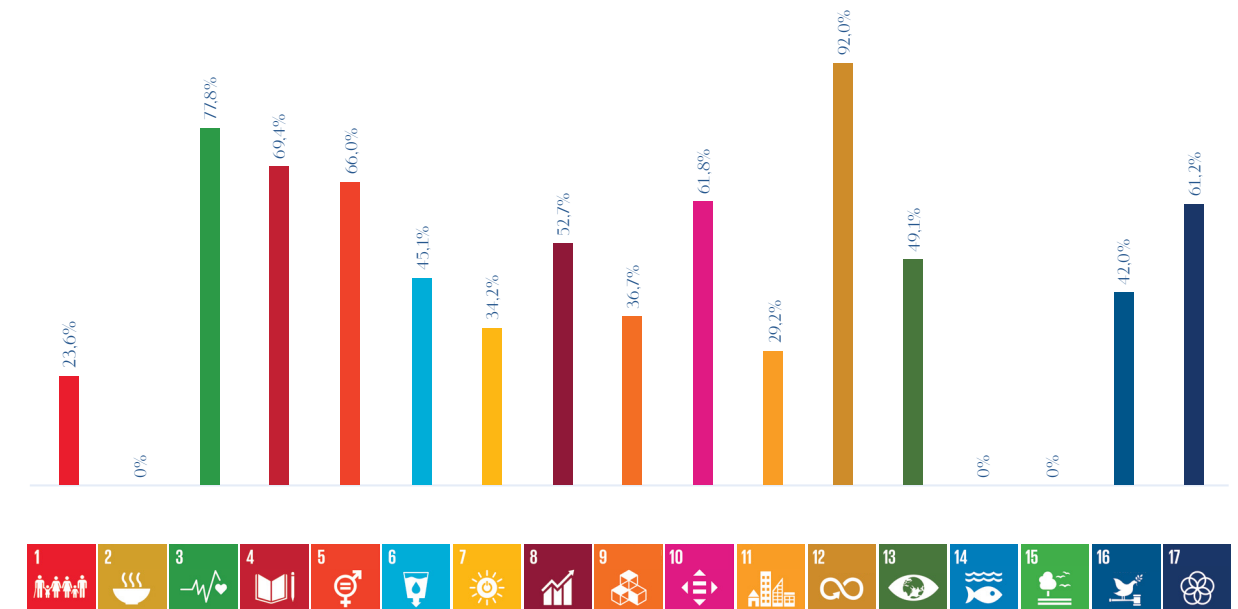
Results of the consultation

According to our stakeholders Rosy Blue should definitely NOT focus on all SDG's, but only on a number of SDG's on which it has a reasonable impact.

Stakeholders' perception - Relevance score given during 2020 Stakeholder Consultation

We noticed our stakeholders' knowledge and awareness of the SDG's is increasing. Also priorities are evolving. We are also seeing gaps between the results from our self-assessment (what Rosy Blue management believes to be focusing on) and this broader consultation. The maturity matrix will show an combined result, considering both inputs.

Stakeholders' perception: Relevance score given during 2020 stakeholder consultation



Raising SDG awareness

We need to raise more awareness on SDG's in our industry, so that more (smaller) companies understand what it means and that they also have an impact. If we share best practices, the threshold to participate will become lower.

We believe there is an enormous opportunity to educate all players in the supply chain on the SDGs. The RJC has played and can continue to play a leading role in this area.

You have a variety of concrete compliance programs on one hand and global sustainability goals like the SDG's on the other hand. Which makes it difficult especially for smaller players to understand how they can impact the bigger picture such as the SDG's.

The RJC is launching an SDG taskforce and we look forward to actively be involved. This will help our Industry to further evolve and show true progress on the ground.

The updated Code of Practices of RJC that was launched in 2019 is an excellent framework to integrate responsible business practices aligned with the SDGs. We will be one of the first companies early 2021 to have a global review on this revised RJC Code of Practices. We hope more companies will join.

We are here to work together - we were one of the first companies to make an SDG impact assessment and with that we have pulled many colleagues and competitors along in this adventure.

We look forward to sharing best practices- challenges and opportunities in the RJC SDG Taskforce and work closely with the UN Global Compact on accelerating the 2030 agenda.

LABOUR STANDARDS & DECENT WORK

- Adopting fair and ethical working conditions (health, safety, working hours, wage,..) for all employees and in our supply chain
- Ensuring the well-being of all Rosy Blue's employees through workplace policies and initiatives for equality, inclusion, & health and safety.
- Contributing to economic development, through decent jobs and livelihoods, infrastructure investments, building the skills of employees.

COMMUNITY ENGAGEMENT & PARTNERSHIPS

- Supporting non-profit organizations and partners linked to our sector or operations like RJC, Unicef, community initiatives,...
- Enhance global partnerships for sustainable development sharing knowledge and expertise.

NATURAL RESOURCES

- Sustainable use of natural resources & decoupling production with natural resources used.

INTEGRITY & AUTHENTICITY

- Ensuring the integrity of our products and practices.
- Increasing our synthetic proof processes to avoid synthetic diamonds are mixed with natural ones.
- Safeguarding a known, ethical, conflict free origin of all our diamonds (not sourced in a way which didn't respect human rights, labour rights and the environment).
- Buying where we can generate an extra-positive impact where it is most needed.

SUPPLY CHAIN TRANSPARENCY & TRACEABILITY

- Ensuring every step the diamond travels is tracked and undertaken with transparent and responsible practices.
- Balancing transparency and confidentiality.

ENVIRONMENTAL FOOTPRINT

- Minimising the impacts of Rosy Blue's operations on the environment by investing in technologies that reduce emissions, energy and water use.

CRAFTMANSHIP & EDUCATION

- Improving technical skills (direct and indirect through scholarships, gifts to schools, grants...), literacy, reinforcing and sharing know-how.
- Fostering talent by training programmes.
- Safeguarding the culture and craftsmanship of diamond polishing.

GOVERNANCE & COMPLIANCE

- Ensuring effective and transparant governance structures and inclusive decisionmaking , promoting equal gender opportunities, at all levels.
- Eliminating all corruption and money laundering risks.
- Compliance with legal and regulatory standards.

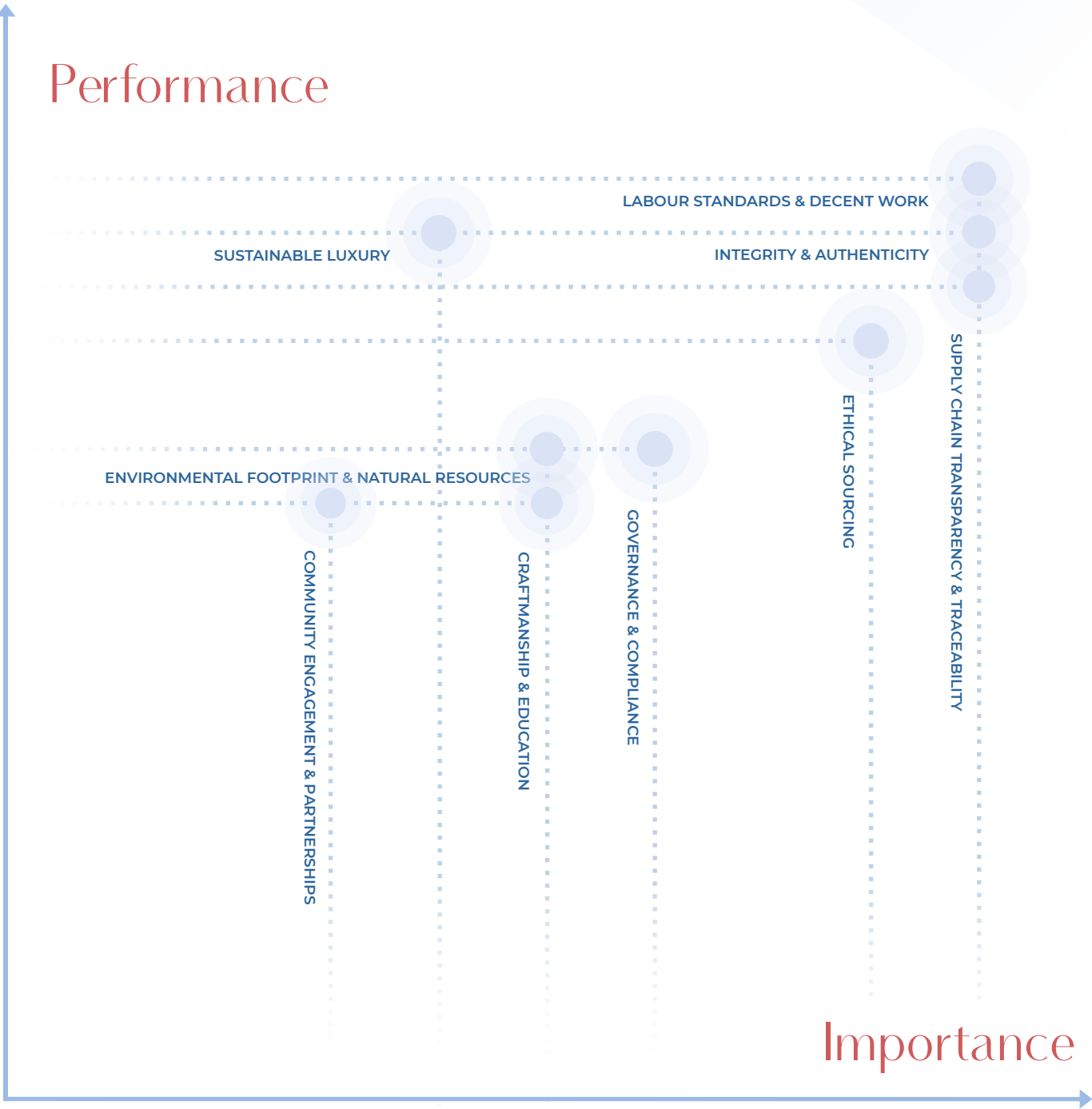
SUSTAINABLE LUXURY

- Linking company success to overall growth & positive impact along the supply chain, creating an added-value of diamond manufacturing for Society.
- Creating luxury that is sustainable = durable, one of a kind and charged with emotion and heritage.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Labour standards & decent work			●		●	●		●		●	●						●
Craftmanship & education				●													
Community engagement & partnerships	●									●		●					●
Integrity and authenticity												●					●
Ethical sourcing	●															●	
Supply chain transparency and traceability																●	
Environmental footprint						●	●					●		●			
Natural resources								●	●			●			●		
Governance & Compliance					●			●		●		●				●	●
Sustainable luxury								●	●	●	●						●

Maturity Matrix

We asked our stakeholders to give a score for our material topics, on how important they believe each topic to be for Rosy Blue (importance) and how advanced they perceive us on each topic (maturity). This is then compared with our own evaluation resulted in this maturity matrix.



Governance & compliance

Promoting transparency regarding our own governance structure and practices. Ensuring effective policies and procedures to prevent bribery, money-laundering and corruption.

Our CONCRETE actions in 2020:

- Updated global KYC procedure – continuous KYC training
- Updated global AML policy
- OECD implementation



Corporate Governance as risk mitigation

G 4-34, G 4-35, G 4-56, G 4-14

We recognize the importance of good governance to prevent business and social risks within our company. To achieve this goal, we have increased management efficiency and transparency by improving our internal control system. A number of corporate bodies have been established to create a sound balance of reporting.

Our core values

Integrity:

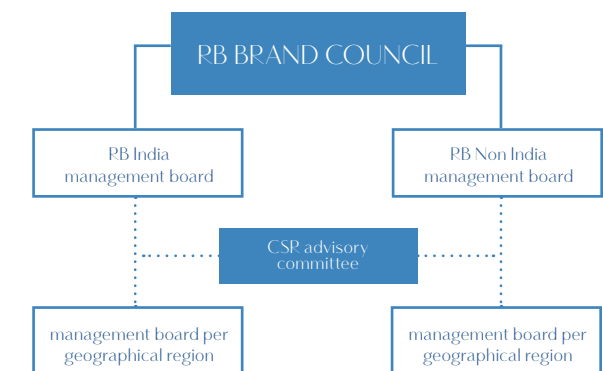
we strive to uphold ourselves to moral and ethical standards

Accountability:

we are keen to deliver the same promise of trust and craftsmanship to all our stakeholders around the world

Diversity:

we embrace the diverse characteristics of all people who work with us and respect their dignity.



Rosy Blue Brand Council

Since Rosy Blue NI and Rosy Blue I are two independent legal entities, a Rosy Blue Brand council has been established with the main function to manage growth and oversee the Rosy Blue Brand. Their task is also to maintain ethics and core values across our operations.

the Management Board is kept constantly informed of developments in business policy, corporate planning and strategy. It also approves the financial statements taking into account the reports by the auditor. Blue Brand. Their task is also to maintain ethics and core values across our operations.

Local Management Boards

Each Rosy Blue entity is governed by a Management Board and covers a certain geographical region with its own profit and loss responsibility within the wider framework of the Rosy Blue brand. They define long-term goals and strategies, coordinate and monitor the most important activities, develop and deploy managerial staff, allocate resources and decide on its financial steering and reporting.

CSR Advisory Committee

The main objective of the CSR advisory committee is to review and make appropriate strategic recommendations regarding Rosy Blue's CSR management and to monitor the conduct of business in accordance with the different compliance standards. The committee members come from different operational departments and complement each other in terms of their diverse professional expertise and excellent knowledge of the complex supply chain we work in: activities, develop and deploy managerial staff, allocate resources.

The Chairman of each Management Board coordinates its work and presides over the meetings. Through regular discussions with its board members,

AML – KYC (Know Your Counterpart) team

Rosy Blue has a dedicated AML-KYC officer in every entity who follows up on financial compliance and possible suspicious transactions. The ‘know-your-counterpart’ procedure is followed to verify and keep records on the counterpart’s identity as per anti-money laundering (AML) requirements. As buyers, we are also subject to the same disclosure obligations to our suppliers. Under no circumstances, goods can be sold to a new customer without the KYC process finalized with a green light.



No involvement in FinCEN files

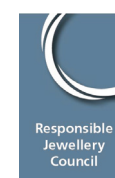
In September 2020 Rosy Blue was named in press articles in which insinuations were made regarding the involvement of the Rosy Blue Alliance in numerous filed SAR’s (suspicious activity reports). The allegations made in this publication were misleading at the least. Rosy Blue has sent out a public message firmly stating Rosy Blue has always been transparent and provided all information ever requested by its bankers, stakeholders, regulatory authorities or any other government agency. The information revealed in the so-called FinCen files did not lead to any queries or questions by any authority worldwide nor were there any charges brought against Rosy Blue entities or its directors till date. Rosy Blue NV is not subject to any criminal

investigation into money laundering in Belgium or anywhere else. Rosy Blue NV was in the past accused in the “Monstrey case” in Belgium where in 2016 the Belgian Court has finally and totally acquitted Rosy Blue NV and its former director of all charges.

Rosy Blue is one of the very few companies in the diamond industry who has been able over the last 20 years to obtain funding from the financial markets via financing programs/ securitisations which are subject to 3rd party audits by auditors appointed by independent program managers who themselves are regulated by their financial authorities. The programs have, in the past and currently been rated by international rating agencies.

Compliance: a very demanding operating environment

Compliance with international rules and regulations is a minimum responsibility for every company. There are several initiatives in the diamond industry that seek to help companies improve their impact on society and to enhance consumer confidence. We also adhere to codes of different suppliers and customers, which for confidentiality reasons we have not individually and specifically mentioned here. On top, we also engage explicitly in a series of initiatives which we believe help us to consistently improve business and operating practices across the value chain and our markets.



Responsible Jewellery council

The Responsible Jewellery Council (RJC) is an international not-for-profit organisation, co-founded by Rosy Blue (NL) in 2005. RJC members are committed to promoting business practices in a transparent and accountable manner throughout the diamond, gold and platinum jewellery supply chains. Our RJC certification requires us to be audited every 3 years by third-party independent auditors to verify our conformity with the RJC’s Code of Practices.

- Founding member in 2005
- Full certification since 2011 (Non India) and 2013 (India) of all entities

More info on responsiblejewellery.com

BEST PRACTICE PRINCIPLES *The Assurance Programme*

De Beers ‘Best Practice Principles’

As a client of De Beers Global Sightholder Sales, we are contractually obliged to abide by their Best Practice Principles. The BPP Assurance Programme provides evidence to supply chain partners, consumers and other interested stakeholders that the exploration, extraction, sorting, cutting and polishing owned or controlled by the De Beers Group of Companies or by Sightholders, are undertaken in a professional, ethical and environmentally friendly and accountable way. External audits are selected annually by third party independent auditor SGS.

- Compliance since 2006 (inception of BPP)

More info on debeersgroup.com

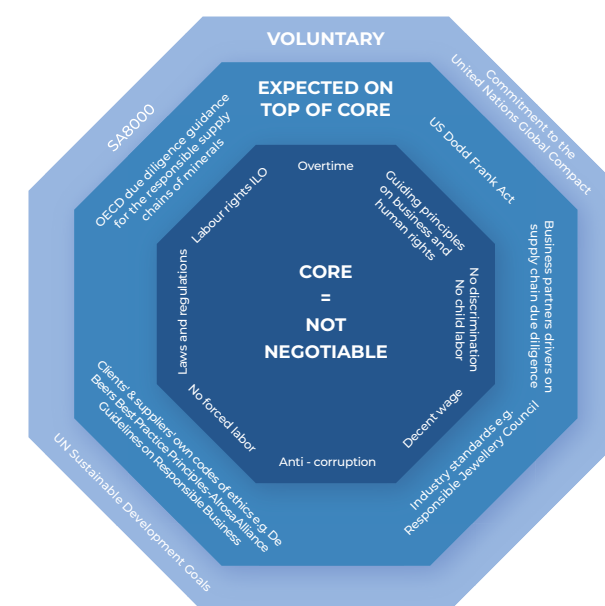


UN Global Compact

Rosy Blue is committed to the 10 principles of the United Nations Global Compact since 2008, annually reporting on our progress. In 2011 Rosy Blue became member of Global Compact LEAD. This platform is designed to challenge highly engaged companies in the UNGC to reach further

- Commitment since 2008
- LEAD member since 2011 with leadership in Children’s Rights and Business Principles forum in Belgium
- Commitment to SDG’s since 2016

More info on unglobalcompact.com



Our compliance structure: a central, yet local organisation

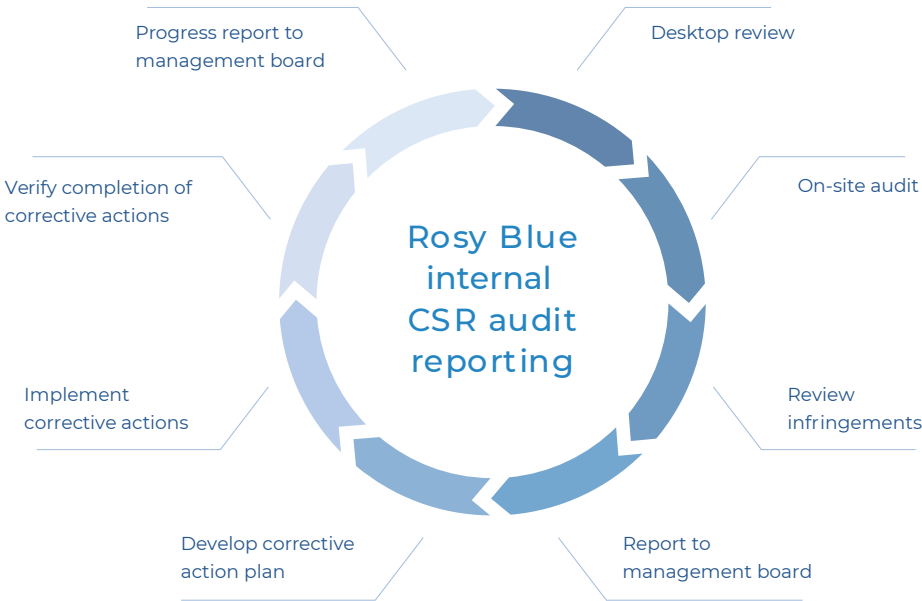


Two central CSR departments in India and Belgium are at the core of the leadership structure. They hold responsibility for the alignment and steering of our global sustainability strategy. Some of their tasks are communicating externally, collecting data, and developing policies and procedures and monitoring their implementation.

Internal reporting and auditing

The two central CSR departments evaluate compliance through an internal audit system and work proactively with our people to drive change. Every entity has appointed a local CSR compliance officer who is responsible for implementing compliance and tailoring global, all-encompassing directives to local national and cultural needs.

Each year the 2 Central CSR Departments, in close coordination with the local CSR officers, audit a number of entities based on various risk criteria including geographic sensitivities, past audit performances and the nature of facility’s work. In 2020 all internal audits were done remote.



Supply chain integrity

Product integrity and supply chain management are the cornerstones of our sustainability strategy. For Rosy Blue there are three facets to integrity:

- 1 ▶ **Ethical sourcing** For us this means, ensuring our diamonds have not been used to fund armed conflicts nor have been sourced in a way that didn't respect human rights in any way.
- 2 ▶ **Naturality testing** It is our obligation to guarantee the authenticity of our diamonds and gold jewellery in all their physical characteristics. At Rosy Blue, a customer protection center of excellence will secure our supply chain for 100% to our customers. Even our goods coming from internal manufacturing, where the risk for synthetic contamination is very low to non-existent, are tested 100% when coming into our office. We are creating an incoming quality control, to make sure our polished inventory is guaranteed natural
- 3 ▶ **Responsible practices** Last but not least – responsible supply chain means guaranteeing our diamonds have traveled a completely responsible and sustainable journey from our rough purchase to the end of the pipeline.
 1. We have implemented the highest possible social standards in our operations, like SA800 and RJC Code of Practices.
 2. We have been focusing on environmental matters, calculating our global emissions and reducing our carbon footprint significantly.

Our CONCRETE actions in 2020:

- Update of our publicly communicated Ethical Sourcing Policy and Supply Chain Policy
- External assessment of our Antwerp Center of Excellence
- External audit of our traceability procedure in Antwerp and Mumbai.
- Enhanced supplier engagement including a supplier risk assessment based on CECD due diligence procedure.

“
We have never been this focused on creating a transparent and responsible supply chain.
”

Ethical sourcing from primary mines and trusted suppliers

All our diamonds are conflict free origin. We apply the rough Diamond export and import verification system and controls as laid out by the Kimberley Process Certification Scheme and national legislation of the countries where we operate. We only supply diamonds that have been sourced from countries that are participants in the Kimberley Process and that have been legally exported under a relevant Kimberley Process certificate. Certifying their origin is to prevent diamonds from potentially being used to finance armed conflicts by rebel movements from entering the market. * We also fully comply with the World Diamond Council System of Warranties.

*www.kimberleyprocess.com

Provenance Claims

a. Naturality

The seller hereby guarantees that the diamonds herein invoiced are exclusively of natural origin, formed and grown under natural and geological processes, based on personal knowledge and/or written guarantees provided by the supplier of these diamonds.

b. Non Zimbabwe Origin (global)

“Diamonds herein invoiced have not originated from Zimbabwe. The supplier of these diamonds has provided a similar assurance from non Zimbabwe origin.”

c. SRSP compliance (USA & India & Belgium)

Rosy Blue sources gold responsibly in accordance with the Signet Responsible Sourcing Protocol (SRSP). Rosy Blue sources diamonds responsibly in accordance with the Diamond Signet Responsible Sourcing Protocol (D-SRSP).

Origin disclosure request

As a basic principle, we request our market suppliers to disclose any information they may have on the rough diamonds' provenance and declare on the invoice the mining company where the rough was coming from, country or mine of origin where the rough was mined. In case of polished purchases, we also request to declare the country of manufacturing and the guarantee the goods are ethically manufactured.

This way we can trace back all our stones back to an original origin, whether it is documented with an original invoice or declared on a suppliers' invoice.

Audited provenance traceability

In all entities, integrated IT systems have been set up in order to guarantee full transparency on every stone that is manufactured in house. Allied with human vigilance, this helps us monitor every diamond passing through our manufacturing and finishing process. These processes are also independently verified through our membership of the Forevermark Program in 3 of our operations: Belgium, China and India.

Fantasy system at Rosy Blue NI

The Fantasy system allows for **absolute tracking of every single stone, as well as entire** lots, manufactured in-house, throughout our entire global supply-chain, at every stage.

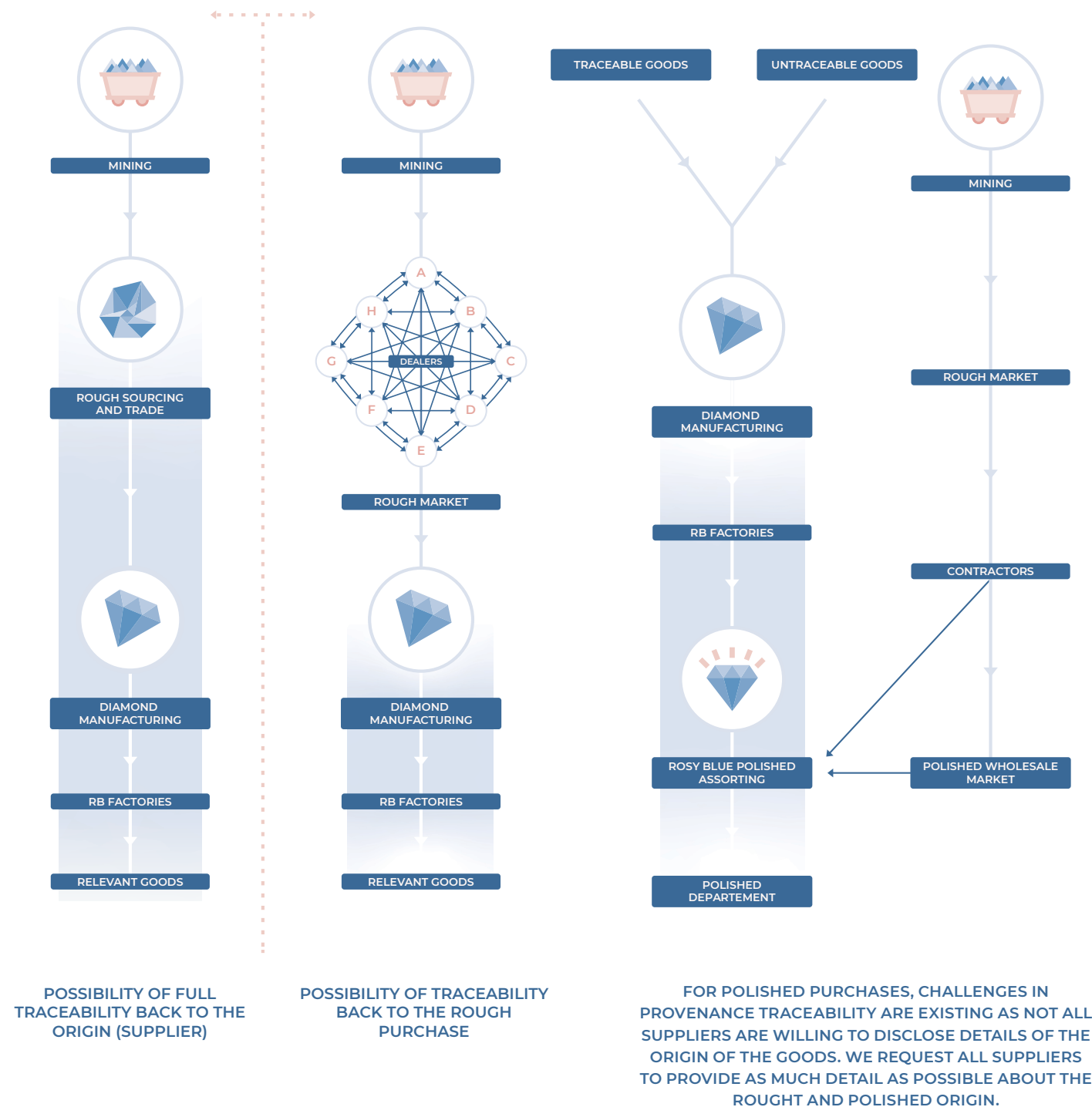
JD Edwards at Rosy Blue I

JD Edwards is the integrated applications suite of resource planning software that offers databases, operating systems and hardware to develop IT solutions to meet business requirements like a tight monitoring of all receivable and payables. It tracks each rough parcel from the time it is received till the completion of manufacturing process and the value addition made thereto.

Traceability landscape

ROUGH DIAMOND SUPPLY LANDSCAPE

POLISHED DIAMOND SUPPLY LANDSCAPE



Increased supply chain due diligence



The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and HighRisk Areas clarifies how companies can identify and better manage risks throughout the entire mineral supply chain, from miners, local exporters and mineral processors to the manufacturing and brand-name companies that use these minerals in their products. 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



More information on: mneguidelines.oecd.org/mining.htm

Enhanced supplier engagement

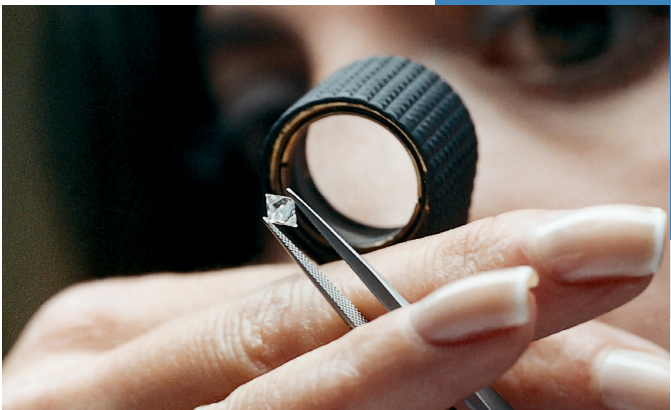
We are requiring our suppliers to adhere to our Business partner code of conduct and to complete our supplier due diligence form as part of our supply chain risk assessment. While we can report on our procedure and management system to perform this due diligence, the outcome of this risk assessment is confidential.

Product integrity and authenticity

Full disclosure at all times

Full disclosure at all times is key throughout our processes. We acknowledge that in our sector, the non-disclosure of the potential treatment of natural diamonds, and the misrepresentation of simulants and synthetics as natural diamonds, undermines consumer confidence in the integrity of our product.

Written disclosure is needed in each bill of sale, receipt, laboratory certificate or other documentation we give to our clients.



4C's of a diamond

Each diamond is unique. The quality and value of a diamond is defined by its 4 Cs: carat, colour, clarity and cut.

The weight or size of a diamond is expressed in **CARATS**.

Most diamonds range in **COLOUR** from colourless to slightly yellow. Diamonds can also occur in all ranges of colours, from brownish to striking yellow, pink, purple, red, blue and green. These are called 'fancy colours'.

With **CLARITY**, a diamond's purity is described. The clarity scale reflects the size, number and location of the internal characteristics. Diamonds that have no inclusions visible to the naked eye are of excellent quality and are called 'loupe clean'.

A diamond's **CUT** defines the proportion, polish and symmetry of the cut. A perfect cut equals more sparkle, brilliance and fire. Cut is not the same as the shape or form into which it was cut. Diamonds can be cut into various shapes, the best-known is probably the round brilliant.

*source: www.hrd.be

Global supply chain contamination control

What is a synthetic diamond?

A synthetic diamond is a diamond produced in an artificial process, as opposed to natural diamonds, which are created by geological processes. Synthetics are made from carbon, but crystal is formed through production methods that are, high-pressure high-temperature (HPHT) or chemical vapor deposition (CVD). While the costs of production are lower, cost of a synthetic diamond is about 40% lower than that of a natural diamond.

Rosy Blue's view on synthetics: Gem quality synthetic diamonds are a genuine product in their own right. If sold with the proper disclosures, it offers consumers an alternative to buying natural diamonds. What affects the natural diamond industry and the consumers is the undisclosed mixing of natural and synthetic diamonds. This is clearly a fraudulent practice, which is not acceptable to any respectable actor in the sector.

Detection procedure for rough

Buying rough diamond from the market poses a medium risk for contamination. Since a simple visual distinction between unprocessed synthetic diamond and natural rough is possible, all rough parcels are checked by eye. The rough team of Rosy Blue NI is formally trained in identifying differences between natural and synthetic rough diamonds. They received again an official HRD course on hard-to-detect rough synthetics and an IIDGR course on synthetics in general.

Detection procedure for polished

Rosy Blue anticipates the risk of mixing natural with synthetic diamonds by mapping, controlling and minimizing all possible 'contamination points' in our pipeline. Each contamination point holds a different level of risk and a different level of risk requires a different type of action. We have determined 100% testing is required and have rolled out and implemented our integrity procedures across locations.

Rosy Blue Customer protection center of excellence

In 2020 we optimized procedures of our Center of Excellence

that will secure our supply to customers for 100%. Due diligence and compliance processes were established in all our manufacturing sites and also conducted with strong revolving governance processes in place.

Inspection of 100% of melee goods, both coming from in house manufacturing and purchases, will be done at the Center of Excellence before entering the polished inventory. All the customer returns, sales returns and contractor returns will also be returned directly to the Center of Excellence. A system based lock will be activated to ensure these goods shall not be transferred between Rough – Polished

department and vice versa. A system flow will be maintained in Fantasy separate. All the stones with parcel id, location, and other technical details will be stored in the system.

Pointers and above will be tested as well for 100% as most of these are certified goods and the remaining part will be kept apart and tested upon order.

	Internally manufactured goods	Purchases
Below 0,9mm	100% testing by lab	100% testing by lab
Melee goods	100% testing	100% testing
Pointers	Certified or 100% testing*	100% testing
1cts and up	Certified	Certified

*upon shipment



Detection equipment

Automated Melee Screening ('AMS2') : A fully automated instrument for screening volume melee diamonds to verify they are not synthetic or simulant.

- Supplier:** De Beers IIDGR
- Scope:** Round brilliant colorless diamonds in size range 0.003cts – 0.2 cts Fancy shapes (0.01-0.2cts)
- Logs:** Log of every tested parcel and the outcome.
- Speed:** up to 3600 stones an hour (AMS2)
- Referrals:** Separates: natural, HPHT & simulants; 4 bins: Pass – Refer – Refer Type II – non--diamond. All CVD is referred. Low referral rate

Decent work

Ensuring the health, safety and well-being of all Rosy Blue’s employees through workplace policies and initiatives for equality, inclusion, & occupational health and safety. Contributing to economic development, through decent jobs and livelihoods, infrastructure investments, building the skills of employees.

Our CONCRETE actions in 2020:

- Human rights due diligence according to the OECD
- Extended risk assessment of our own operations
- Increase of both quantity and quality of trainings provided to all our employees



Beyond labour rights in our own operations

For Rosy Blue Human rights include Labor Rights as stated in the International Labour Organisation (ILO’s) core conventions and the Declaration on Fundamental Principles and Rights at Work. We focus our efforts on those rights that are within our sphere of influence and our working environment. We respect human rights primarily by providing safe and healthy working conditions for our employees and ensuring non-discrimination in human resource practices.

Most of our operations and people are in manufacturing. Environmental and social standards for labour vary tremendously — for example, the national minimum wage, or working hours in a certain country may exceed or fall short of actual decent living standards. Because of this, we are committed to going beyond the minimum regulations as stipulated by local law. 23.5% of our total workforce is covered by collective bargaining agreements.

As we operate in some of the world’s most complex economic, political and social environments, due diligence and continuous monitoring, (and where appropriate remediation) is key to implementing our commitment. The fact that we are certified RJC member and SA8000 applicant enables us to claim that all practices throughout our own operations are conducted in an ethical and responsible way, without any human right abuse or conflict.

Health and Safety

Rosy Blue is committed to providing and maintaining a safe and healthy work environment for all employees, contractors and visiting members. The main health and safety risks are cuts to fingers, projection of parts of stones in the eyes and inhalation of dust during polishing. All of our entities have appointed a Health & Safety Manager, responsible and accountable for ensuring

compliance with our global policy and local regulations. They are supported by a Health and Safety team. In 2018, 101 people were involved in preserving health and safety across our sites.

Working accidents

We take all practicable steps to eliminate, isolate and minimise the risk of injuries or illness from identified actual and potential hazards. Our factories are staffed with a full-time nurse. Some locations have a clinic and we monitor health of employees at regular intervals. All new employees undergo full health check-up within a month of their joining. We focus on wearing personal protective equipment (PPE) which makes a considerable impact in the occurrence of accidents.

Year	Minor injuries	Major injuries
2018	8	2
2019	9	1
2020	6	0

We call a major injury when a doctor is called or the person is sent to the hospital, even if it is just for checkup.

Some of the risk factors we identified in our ‘labor and working conditions’ risk assessment

Risk factors	Potential negative impact	Probability of occurrence	Severity of impact	How to handle?
There is a difference in nationality, race or religion between workers and managers	Discrimination, disciplinary abuse and harassment, communication barriers	High	High	Open communication, grievance procedure, training
Some of the workers in our factories are migrants from other areas	Forced labor, discrimination	Low	High	Employment contracts, open communication
There are security guards at our companies due to high value goods	Lack of freedom of movement, harassment	Low	High	Contractual agreements on human rights with security agencies
Our production activities involve workers routinely interacting with machinery	Worker injuries and chronic conditions	Low	High	Health protocol to be monitored and controlled

Our social performance

During the social audits of our entities in 2020 the following infringements were found. You can read below how we addressed and corrected the findings.

BPP / RJC external audits per country

	2018	2019	2020
Belgium	•		1 inf
China			
Hong Kong			
Israël			3 inf
Japan	•		
UAE		1 inf	
USA		3 inf	
India	• 3 inf	4 inf	2 inf

INF= improvement opportunities and potential minor infringements. An infringement is a compliance issue that can be managed and rectified within a short or reasonable period.

Social audits: examples of how we addressed and corrected some findings.

Country	Finding	Corrective action	Status
Belgium	The entity currently uses one training signing sheet, which includes all of the training topics in the heading (H&S, HR, KYC, Provenance Claim, Product Security and Disclosure.) This is then signed by all employees. However, not all of the training topics are relevant or applicable to all employees.	Individual training acknowledgment sheets are provided per topic, for the different employees. This way we will have a better overview who actually was trained for which topic.	Closed
Belgium	The ‘Diamonds from DTC’ Provenance Claim wording in the policy was not updated.	Our provenance claim policy was updated and training was provided to relevant employees.	Closed
Israel	No training records or documents were presented for 2019/2020 for AML, Health and safety, provenance claim, sourcing policy and security practices subject.	The trainings have been done for relevant managers.	Closed
India	Delayed payment of July salary – this unavoidable delay was primarily due to the personnel manager being hospitalized due to Covid-19.	Calculations therefore took longer, and salaries were paid on the next working day.	Closed

Human rights due diligence in our supply chain

We carry out a risk assessment to review our responsibility with respect to human rights, as a requirement for the RJC code of practices. The exercise allows us to proactively manage the Human Rights related risks of our supply chain. We have mapped any human rights impacts our company may cause or contribute to and how we can prevent or adverse these.

Criteria	Improvement opportunities
Adoption and implementation of a robust supply chain policy—that is incorporated into all contracts with suppliers;	The code of conduct is not part of the company’s contract with suppliers. The policy is also not yet publicly available
Traceability or Chain of custody over diamonds, including efforts to trace these minerals to their mines of origin by requiring full supply chain documentation from all suppliers;	No chain of custody.
Assessment of all human rights risks throughout the supply chain, including evidence of human rights due diligence by upstream suppliers, such as on-the-ground mine assessments;	We have not physically visited our suppliers to assess any risks with in our further supply chain
Third-party audits of the company’s and its suppliers’ human rights due diligence by auditors qualified to assess human rights issues;	We do not audit our suppliers.
Annual public reporting on human rights due diligence, including steps to manage and mitigate risks;	Including audit results of our suppliers in our communication.
Support for artisanal and small-scale mining:	Financial support for the Diamond Development Initiative and the Institute for Environment and Development to help formalize and promote responsible artisanal mining in both the diamond and gold sectors.

Managing our contractors

In 2020 we worked with 5 majority contractor and 72 minority contractors for Rosy Blue (NI), and 1 majority and 50 minority contractors for Rosy Blue (I). These include grading services, cleaning, jewelry retail shops, but also polishing activity. We focus on ‘substantial contractors’, being the contractors that generate 75% or more of the revenues of the contractor from one of our entities.

Each year, these majority contractors are selected for audit by SGS based on risk factors such as conditions in the country where a facility is located and the facility’s past audit performance.

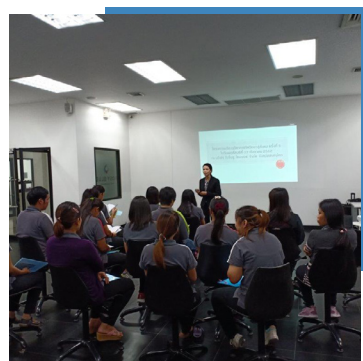


Craftmanship and education

Improving technical skills (direct and indirect through scholarships, gifts to schools, grants...), literacy, reinforcing and sharing know-how is crucial for Rosy Blue

Polishing diamonds is a very specific and respected craftsmanship. We provide a variety of mandatory and voluntary, internal and external training opportunities for our employees to help them develop technical skills in the workplace, and gain the competences specific to their roles. We communicate our global policies and procedures covering the subjects of compliance on our CSR extranet. Regarding CSR and compliance knowledge, the training material and toolkits can be adjusted by the local CSR expert as per the local reality and language.

In 2020, Rosy Blue recorded a total of 6399.5 hours of training mainly on compliances, human rights, social performance and management practices. In 2020 we distributed a new compliance training which all entities had to give to all staff. Health and safety and fire evacuation training is given in all entities. In China we provided training on importance of working hours registration and how to clock in and out at the beginning and the end of the day.



Environmental impact

Minimising the impacts of Rosy Blue’s operations on the environment by investing in technologies that reduce emissions, energy and water use.

Carbon reduction and offset with reforestation project



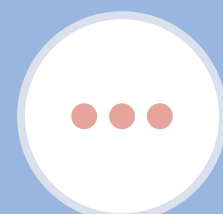
Carbon footprint 2020 = 4,040 tonnes CO₂e



81%
electricity used



18%
business travel



1%
other

Evolution of our footprint

With the pandemic impacting on the availability of information in 2019, data from six sites was omitted. To properly compare 2020 data we have reviewed it against more robust 2018 data: - 2020 Scope 1 emissions have reduced by 40% in comparison to 2018 with benzene use at the previous Thai facility no longer included*

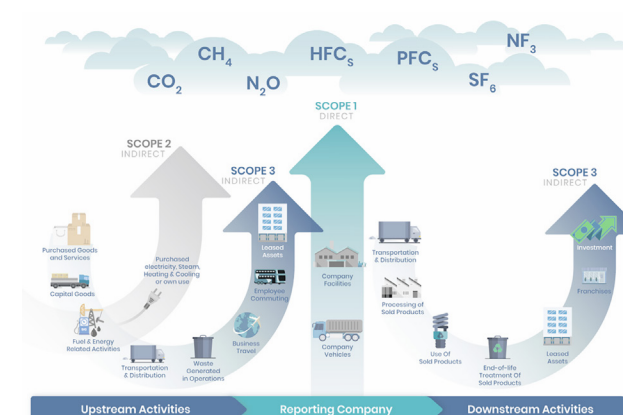
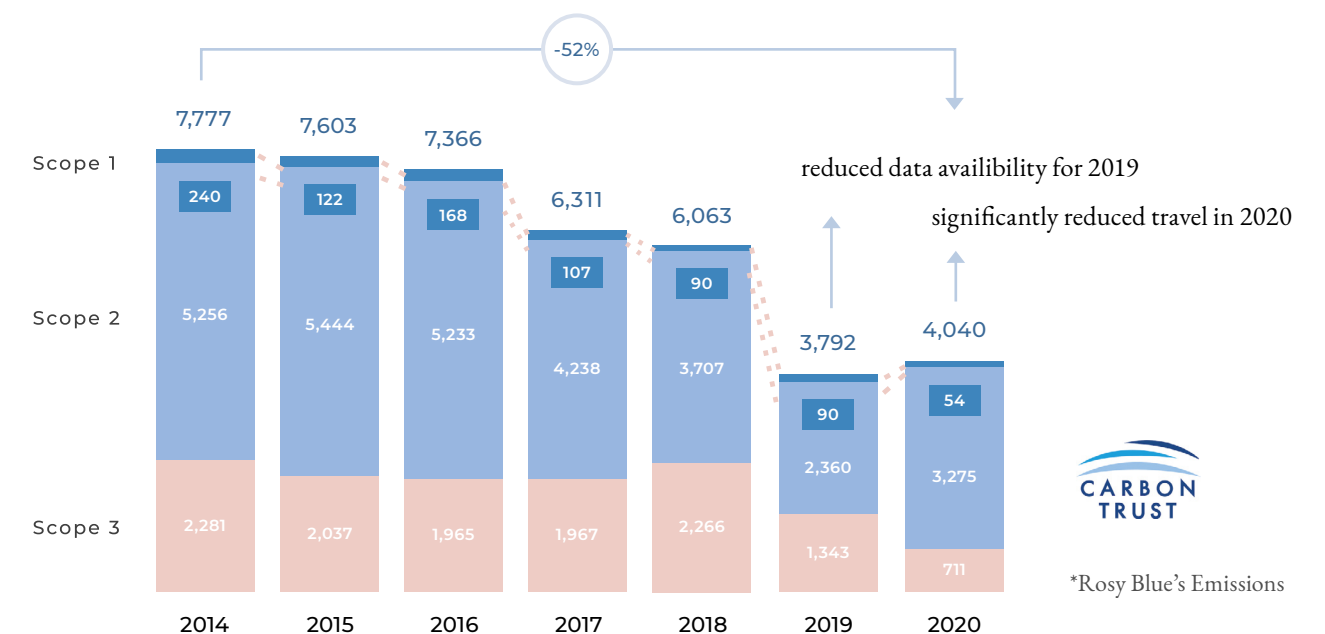
- Even with the addition of the RB Cutters site in India, the impact of Scope 2 electricity use has decreased; with both improved emissions factors and also the removal of the large electricity consumption in Thailand - Scope 3 has decreased due to an much reduced business travel, in particular air travel.

Comparing the 2019 footprint to 2020 on a like for like basis, Rosy Blue's footprint has decreased by another 22%.

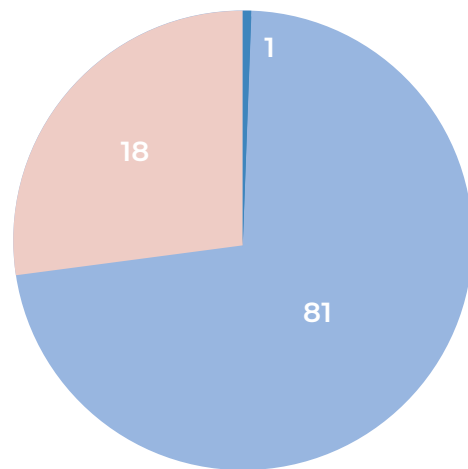
As can be seen in the chart Scope 3 emissions have dropped dramatically in 2020 with significantly reduced travel.

Since 2014 Rosy Blue's footprint has decreased by more than 50%. This drop in emissions is due to:

- Reduction in number of sites in scope, particularly energy intensive sites
- Improvements in energy efficiency resulting in reduced electricity Consumption



- SCOPE 1 Fuels burnt on site such as: Natural Gas Diesel, LPG & Petrol
- SCOPE 2 Electricity use
- SCOPE 3 Business Travel (mainly air) plus the upstream impact of purchased electricity*



2020 Footprint - tCO₂e

In 2020, Rosy Blue's Scope 2 electricity emissions accounted for 81% of total footprint.

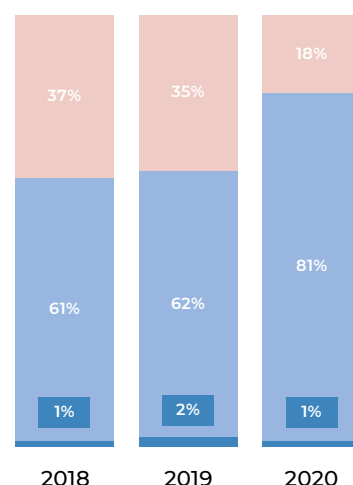
Scope 3 emissions were down by 47% compared to 2018.

In particular, emissions from air travel were down by 87% compared to 2018.

● SCOPE 1 ● SCOPE 2 ● SCOPE 3



Rosy Blue's footprint % per scope



The proportion of Scope 1 emissions representing onsite fuels and owned transport is decreasing over time. This reflects a shift away from onsite fuel combustion and reduced travel in owned vehicles.

- Scope 2 proportion has tended to decrease until this year with decreasing grid emission factors and changes in the mix of sites. 2020 is higher due to the addition of the RB Cutters site.
- Scope 3 proportion has been increasing due to a rise in business air travel up to 2019. In 2020 however much reduced business travel has reduced emissions and Rosy Blue should consider if the reduction can be sustained.



Tie-up with SGI (Sustainable Green Initiative) for plantation:

Sustainable Green Initiative (SGI) was set up with the sole objective of planting mostly fruit trees to fight hunger, poverty and climate change. Our organization distributes, plants, and maintains fruit tree saplings for three years in community lands, homesteads of marginal farmers, and places such as orphanages, old-age homes, government schools, and so on. SGI's planting activities address seven of the 17 Sustainable Development Goals (SDGs) by the United Nations

Rosy Blue (India), in collaboration with SGI planted 25,000 fruit-bearing trees in the state of Uttar Pradesh, India during November '2020.

www.greening.in



Reforestation to neutralize our carbon footprint: Building a Rosy Blue forest

Rosy Blue has always strived to make meaningful and enduring contributions to the environment. In 2014, we started our reforestation project in Malle, Antwerp in co-operation with the Flemish organisation BOS+ and the non-profit organisation International Association of Human Values (IAHV). Young IAHV volunteers physically planted the trees. Through this co-operation, we hoped to raise awareness amongst young people and highlight the importance of ecology for future generations. BOS+ is an organisation dedicated to conserving and increasing forests in Flanders, Belgium, and beyond. Five native tree species were chosen to create a diverse and beautiful Rosy Blue forest: oak, maple, elm, alder and beech.

Community support & partnerships

Supporting non-profit organisations like the RJC and donating to charitable organisations and causes which are linked to our sector and operations.



Rosy Blue Foundation

Rosy Blue Foundation is our best relay inside the surrounding communities of Rosy Blue. The SDGs pinpoint a series of urgencies that the Foundation can help address by supporting the right non-profit organizations.

ConnectFor

CConnectFor is a homegrown RBF project. It is a technology platform that seeks to demonstrate the value of human resource. ConnectFor acts as an intermediary between volunteers and NGOs, and helps to create value add matches by finding the right volunteer for the right opportunity. With over 4000 volunteers, and more than 100 NGO partners in Mumbai, ConnectFor has already seen more than 5000 hours of completed volunteering! The project is only three years and a half old, having launched in December 2015, but has seen incredible traction. More information can be found on www.connectfor.org. ConnectFor was recently awarded the Solutions4Goo grant by Vodafone Foundation and Nasscom Foundation.

India COVID Response Fund

A health shock such as the COVID19 has brought to light the little resilience of the poor to such disasters. The pandemic has only

brought utter pandemonium in the lives of the poor who seek out help from NGOs and volunteers with no other hope of survival. While lockdowns have ensured health safety measures, it has equally deprived the poor, leaving them in hunger. In fact, the lockdown in itself is a farfetched fantasy in comparison to the living conditions of the migrants, homeless and slum dwellers amongst the poorest of the poor. The complexity of the problem has challenged our NGOs and on the ground volunteers to come together and find plausible solutions to reaching out to such sections of society without compromising on health and safety standards.

In these crucial times, contributions from Rosy Blue Foundation has helped our NGO partners support numerous underprivileged beneficiaries across the country with spreading awareness about maintaining

proper hygiene, cleanliness, social distancing, distribution of essential supplies/ration kits, daily wages.

Indian school leadership institute (ISLI)

ISLI is an organization that is invested in improving the quality of school leaders, believing that they are critical to the quality and standard of education across the country. We have supported them in creating a peer-to-peer mentorship network that matches government school leaders with private school teachers/leaders to help them define and achieve growth and a higher quality classroom experience.

More information on Rosy Blue Foundation can be found on: www.rosybluefoundation.org



Community partnerships

Special Olympics: Play unified

Special Olympics is an international movement that offers Olympic sports to people with intellectual disabilities. Through sport, Special Olympics wants to improve their self-confidence, their health and their possibilities in daily life. The movement wants to break the taboo that still exists today about people with intellectual disabilities, in order to create respect and appreciation for all people with intellectual disabilities.

Rosy Blue promotes the social integration of people with intellectual disabilities through sport. To achieve its goal by 2021, Rosy Blue together with Special Olympics is committed to the substantial development of the Play Unified activities; this is the joint sport of people with and without intellectual disabilities. The purpose of Unified sports:

- Recognition and integration of athletes with intellectual disabilities by using sport
- Participation and involvement of able-bodied people

- Personal development of the athlete and the unified partner

Unified sports is recreational, because the friendly atmosphere leads to companionship, but it is also competitive, because the participants must have capacities that can only be obtained through regular training. Special Olympics awards the Play Unified quality label to clubs, federations, cities and municipalities and other partners who invest to offer quality sports adapted to people with intellectual disabilities and who promote integrative training sessions for people with and without intellectual disabilities.



Social accountability international

SAI is a multi-stakeholder, non-profit organization dedicated to improving workplaces and communities by developing and implementing social responsibility standards and assisting brands, retailers and suppliers in meeting labor and human rights objectives.

SAI Corporate Members are committed to the widespread attainment of social responsibility and strive to further the development and implementation of a management system for the continual improvement of social compliance in their companies and their supply chains. SAI provides Corporate Members with resources to assist in meeting social compliance goals, including customized trainings and services to address strengthening of management systems, supply chain management, code of conduct

monitoring and compliance, specific aspects of a company's social initiatives, as well as all aspects of the SA8000 code or its implementation.



As a corporate member of SAI, Rosy Blue works to improve the social performance of organizations and their supply chains around the world. The direct result is a better workplace for over one million people around the world and a way for consumers to trust the companies whose products they purchase.

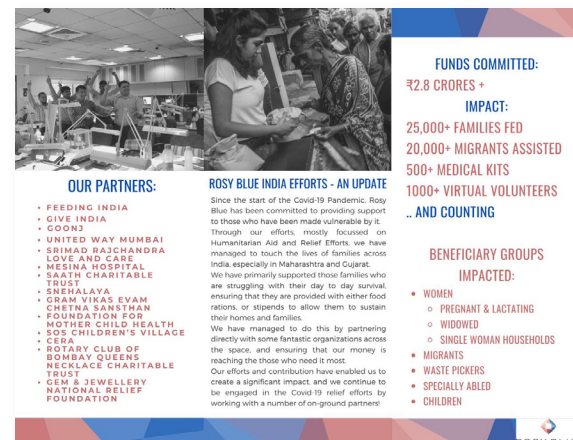
Employee Wellness and Safety Measures during COVID-19 outbreak

When the country-wide lockdown due to COVID-19 outbreak started easing in the year 2020, addressing workplace challenges particularly keeping in mind employees' wellness and safety, was among the top-priority of the Management of Rosy Blue (India) Private Limited. Apart from the usual stuff like workplace cleanliness and sanitization, specific policies and processes aimed at COVID-19 safety, complexities like ferrying employees in a hygienic and risk-free environment were addressed by engaging the best-in-class dedicated transportation facilities. These services were in conformance to all the standards of social distancing, sanitization, safety and comfort.



Special care was taken even during the pandemic to minimize the usage of plastics and dining cutlery made by special bio-degradable material was provided to staff in the office which not only ensured hygiene but also was good for the environment.

COVID Antibody testing was organized for all staff-members in all the Mumbai offices during November '2020. This enabled identification and special care for staff members who were more vulnerable to COVID risk.



Rosy Blue Contribution towards ICRF

For a developing country such as India, the impact of COVID19 has added another layer of problems. While constant support to the vulnerable and poor sections of the society from the NGOs has helped in declining poverty rates in India, they still require help in terms of building resilience to disasters such as the Pandemic. With 17% of the World's population living in a small country such as India, there is very little room for social distancing. The pandemic has affected all in terms of health and income but even more for the poor, whose living conditions themselves aggravated the problem. The plausible solution for such deep rooted problems, is to give them the money and essentials so they can fend for themselves against the pandemic that could possibly take their lives from starvation even before the virus.

Contributions from Rosy Blue have helped support beneficiaries by providing financial assistance to them during these crucial times.

Rosy Blue's contribution was allocated towards the Uber Care Driver Fund to support driver partners by providing cash benefits for immediate and essential family needs.



Supporting nutrition, physical, mental, and social health care of senior citizens affected by COVID 19 pandemic issues living in slums and chawls communities in Mumbai.

The Family Welfare Agency (FWA) established in 1950 has provided social support services for the elderly since 1979. Our services focus on the care and well-being of the elderly in need within their homes through the Elder- friendly Enrichment and Care centers and community outreach program for the homebound in Dharavi, BDD Chawls Lower Parel and GTB nagar.

COVID-19 pandemic has affected this vulnerable senior citizen population of being at increased risk of infections but also taken a toll on their physical, mental, and financial condition. Many of the senior citizens and/or their family members have lost their sources of income during the lockdown and are yet uncertain about how to meet their financial requirements in, the near future. The precautions of social distancing in this situation has increased their isolation and loneliness and the associated fears and anxiety are further affecting their mental state.

To compound the problem further, access to health care, delays in treatment and lapses in medical management has increased their health care issues.

We have collected more than 80,000 rupees among our employees in Mumbai factory, Management of our company has doubled this amount.

This donation will ensure **nutritional and medical aid** such as daily rations or nutritive supplements and cooked meals, access to medicines, diagnostic tests, **health consultations and check-up camps** will be provided. Further, **companion visits and social support services** - stimulating activities, counseling, **recreation therapy** i.e. games, music and social engagement interactions as well as **awareness on better health** and understand their legal rights and enable them to **avail the Government benefits for the poor**.



Assurance Statements



Statement of Sightholder Best Practice Principles for Rosy Blue NV and its Affiliates Compliance Status

Date: 6th April 2021

Rosy Blue NV and its Affiliates have been actively involved in the De Beers Best Practice Principles through the Rosy Blue NV and Rosy Blue India Sightholder Groups since the initial cycle in 2005.

As part of each annual cycle the Sightholder Groups have been required to submit self-assessment workbooks for all owned facilities. For the last few years, they have also been required to submit for contractors with whom they represent 75% or more of their output.

These workbooks are reviewed by SGS for completeness and evidence is tested in relation to the compliance status declared. Further, a sample of facilities undergo a third-party verification. In 2020 these were all conducted remotely due to the Covid-19 situation and the need to ensure the safety of the auditors and Rosy Blue NV's employees.

In addition, Rosy Blue NV is part of the De Beers Forevermark programme which requires all facilities used in the production of diamonds that are to be inscribed to be audited on an annual basis both for pipeline integrity and for compliance with the Best Practice Principles.

For the 2020 cycle, this resulted in three workbook reviews and two verifications.

A number of Minor Infringements were raised and merged as they all related to a lack of evidence found for training in 2019 or 2020 on AML, Health and Safety, Provenance Claims, Sourcing and Human Rights. A further Minor Infringement was raised relating to their Provenance claim policy as the wording needed to be updated in line with the requirements. In addition, one Improvement Opportunity was found as part of this verification as the training records needed to be more specific on the contents and attendees. Rosy Blue NV continue to be rated as compliant with the requirements of this programme.

Signed:

Emma Wilson
Business Relationship Manager



Statement of Sightholder Best Practice Principles for Rosy Blue (India) Pvt. Ltd and its Affiliates Compliance Status

Date: 6th April 2021

Rosy Blue (India) Pvt. Ltd and its Affiliates have been actively involved in the De Beers Best Practice Principles through the Rosy Blue NV and Rosy Blue India Sightholder Groups since the initial cycle in 2005.

As part of each annual cycle the Sightholder Groups have been required to submit self-assessment workbooks for all owned facilities. For the last few years, they have also been required to submit for contractors with whom they represent 75% or more of their output.

These workbooks are reviewed by SGS for completeness and evidence is tested in relation to the compliance status declared. Further, a sample of facilities undergo a third-party verification. In 2020 these were all conducted remotely due to the Covid-19 situation and the need to ensure the safety of the auditors and Rosy Blue (India) Pvt Ltd.'s employees.

For the 2020 cycle, this resulted in two workbook reviews and three verifications.

Four Improvement Opportunities were found as part of this verification relating to delayed payment of wages and submission of benefit contributions to the local authorities due to the Covid-19 pandemic. Rosy Blue (India) Pvt Ltd continue to be rated as compliant with the requirements of this programme.

Signed:

Emma Wilson
Business Relationship Manager

Global reporting – Content index

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G4-6	Countries where the company is established	Page 10-11
G4-7	Nature of ownership and legal form	Page 54
G4-8	Markets served	Page 5; 10-11
G4-9	Scale of the organisation	Page 7; 10-11
G4-10	Employment by contract type, worktime and gender	Page 10-11
G4-11	Percentage of employees covered by collective bargaining agreements	Page 27
G4-12	Organisation's supply chain	Page 6
G4-13	Significant changes in the reporting period	No significant changes
G4-14	Precautionary principle	Page 17;21;18-19
G4-15	Charters, principles or initiatives	Page 23
G4-16	Memberships	Page 24-25
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Entities	Page 54
G4-18	Define report content	Page 15-21
G4-19	Material aspects	Page 21
G4-20	Aspect boundaries within the organization	Page 14
G4-21	Aspect boundaries outside the organization	Page 14
G4-22	Restatements	No restatements
G4-23	Changes in the scope and aspect boundaries	No changes
STAKEHOLDER ENGAGEMENT		
G4-24	Stakeholders list	Page 16-17
G4-25	Stakeholders identification	Page 16-17
G4-26	Stakeholders engagement	Page 16-17
G4-27	Stakeholders' concerns	Page 19
REPORTING PROFILE		
G4-28	Entities	Page 54
G4-29	Define report content	Page 15-21
G4-30	Material aspects	Page 21
G4-31	Aspect boundaries within the organization	Page 14
G4-32	Aspect boundaries outside the organization	Page 14
G4-33	Restatements	No restatements

GOVERNANCE		
G4-34	Governance structure	Page 17
G4-35	Process for delegating authority	Page 17
ETHICS AND INTEGRITY		
G4-56	Code of conduct	Page 16

SPECIFIC STANDARD DISCLOSURES			
Material aspects	DMA and Indicators	Page	Omissions
ENVIRONMENT			
Emissions	G4-DMA	Page 40	
	G4-EN15	Page 41	Partially
	G4-EN16	Page 41	Partially
	G4-EN17	Page 41	Partially
	G4-EN19	Page 41	Partially
LABOR PRACTICES AND DECENT WORK			
Occupational Health and Safety	G4-DMA	Page 35	
	G4-LA5	Page 35	Partially, no percentage
	G4-LA6	Page 35	Partially, only injuries
	G4-LA7	Page 35	
Training and Education	G4-LA9	Page 35	
	G4-DMA	Page 37	
	G4-LA14	Page 37	Partially
Supplier Assessment for Labor Practices	G4-LA15	Page 37	Partially
HUMAN RIGHTS			
Investments	G4-HR2		
Assessment of	G4-DMA	Page 37	
	G4-HR9	Page 37	Partially, not total number
Supplier Assessment for Impacts on human rights	G4-DMA	Page 37	
	G4-HR10	Page 37	
SOCIETY			
Anti-corruption	G4-SO3	Page 18-19	
Supplier Assessment for Impacts on Society	G4-DMA	Page 30	
	G4-SO9	Page 11	
	G4-SO10	Page 11	
PRODUCT RESPONSIBILITY			
Product and Service Labeling	G4-DMA	Page 31-32	
	G4-PR3	Page 32	Partially
	G4-PR4	Page 32	
Marketing Communications	G4-PR6	Page 3; 32	



About this report

Reporting on our performance

This report has been prepared in accordance to the core option of the Global Reporting Initiative G4 guidelines. In addition this report serves as Communication On Progress for the UN Global Compact.

Assurance

To ensure the credibility of the report content on social audit results, this report has received independent third party assurance. The assurance statement is included and indication of assurance is in the GRI content index.

Reporting period

The scope of this annual report covers a 11 months reporting cycle, from 01/04/2020 until 28/02/2021, except where specifically indicated. We believe it is important to only focus on relevant changes and core matters.

Reporting scope

In this report we cover activities of the Rosy Blue Business Alliance, composed of:

Rosy Blue (India) Pvt Ltd and its subsidiaries in 3 countries, covering 8 entities, hereafter called Rosy Blue (I) (Rosy Blue India), headquartered in Mumbai, India

Rosy Blue Investments Sàrl and its subsidiaries in 8 countries, covering 15 entities, hereafter called Rosy Blue (NI) (Rosy Blue Non-India), headquartered in Antwerp, Belgium

Rosy Blue (I) and Rosy Blue (NI) are legally independent from one another and constitute the Rosy Blue Business Alliance. Rosy Blue is a common trade name used by the Business Alliance entities, which are distinct, privately owned and independently managed. In this report we refer to the Rosy Blue Business Alliance as 'Rosy Blue' for convenience reasons.

“*The term “subsidiary” is used to cover all types of parent companies and affiliate organizational structures.

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