

WDC System of Warranties Self-Assessment Toolkit DRAFT

FOR STAKEHOLDER CONSULTATION

Basic Information

Company name
Registered address
Contact person
email
phone

Categorisation Information

Total Diamond (including rough, polished and diamond containing jewellery) Turnover - Sales or Purchase, whichever is higher - in USD
Number of employees
Do you buy/sell rough diamonds?
Do you purchase diamonds from artisanal sources?
What part of the diamond supply chain are you engaged in?

Companies with more than 100 employees would be considered large companies
Y/N Question
Y/N Question
Rough diamond producer and/or exporter from diamond mining country / ASM buying office
Rough diamond trader and/or cutter and polisher
Polished diamond trader and/or cutter and polisher
Jewellery manufacturer and/or wholesaler
Jewellery retailer

Other Compliance Information

Does an external auditor/accountant verify the flow of warranties in and out?
Are you audited for your business practices (i.e. RJC, BPP, SRSP etc.)?
Which business practices are you audited for?
Which trade bodies are you a member of?
Is your trade body a member of an international diamond or jewellery trade body organisation?
Does your trade body expect you to follow a code of ethics?
Does your trade body cooperate with the relevant KP bodies and national authorities to fulfill the KP objectives and facilitate rough diamond trade?

Y/N Question
Y/N Question

Y/N Question
Y/N Question
Y/N Question

Section 1 : KPCS		YES	NO	Applicability	Comments
Question					
1	The company does not buy or sell or assist others to buy or sell conflict diamonds			Dealing in Rough	
2	All rough diamond imports and exports made have a KP Certificate			Dealing in Rough	
3	The company does not buy/receive on memo rough diamonds from suspect sources or unknown suppliers, or rough diamonds which originate in countries that are not member of the KP and/or have not duly implemented and/or enforced the KPCS			Dealing in Rough	
4	The company does not buy diamonds from any sources that have been found to have failed to observe KPCS regulations prohibiting the trade in conflict diamonds and officially communicated as such			Dealing in Rough	
5	The company does not buy diamonds in or from any region or country that is subject to an advisory by a governmental authority indicating that conflict diamonds are emanating from or available for sale in such region, unless diamonds have been exported from such region in compliance with the KPCS			Dealing in Rough	
6	The company ensures that all company employees who buy or sell diamonds within the diamond trade are well informed regarding trade resolutions and government regulations prohibiting the trade in conflict diamonds and respect these procedures at any time			Dealing in Rough	
7	The company keeps for a period of at least three years or as per relevant legal requirements the daily buying, selling or exporting records listing the names of suppliers and/or buyers, their license number and the amount and value of diamonds sold, exported or purchased			Dealing in Rough	
8	The company carries out audit and reconciliation of the daily buying, selling or exporting records on an annual basis to ensure that all rough diamonds traded can be traced (e.g. to imports or exports with valid KP certificates)			Dealing in Rough	
9	The company is able to prove compliance with the KPCS by submitting the daily buying, selling or exporting records when asked for by a duly authorised government agency			Dealing in Rough	

Section 2 : System of Warranties		YES	NO	Applicability	Comments
Question					
1	The company makes WDC SoW warranty statements on all its invoices and memos.			All	
2	The company will only buy from companies that include the WDC warranty declarations on their invoices and memos.*			All	
3	When purchasing polished diamonds or jewellery from other sources e.g. from private individuals, the secondary market or auction houses, the company carries out the necessary legal due diligence and ascertains to the best of its ability that the goods purchased are in compliance with spirit of the System of Warranties regulations.			All	
4	The company keeps records of the warranty invoices received and the warranty invoices issued when buying or selling diamonds for at least three years			All	
5	The company reconciles the flow of warranties in and warranties out on an annual basis			All	
6	The company's auditors/external accountants conduct audit of warranties in and warranties out on an annual basis			All	
7	The company participates in a relevant government control mechanism checking whether the company duly reconciles the flow of warranties			All	

*Old Warranty still has validity during transition period, defined by the WDC Board of Directors to be 3 years in the case of rough purchases and 5 years in the case of all other purchases

Section 3 : Compliance Section		YES	NO		Comments
Question					
Human rights					
1	The company has a commitment to respect human rights and follows all relevant national laws and that commitment is in line with the UN Guiding Principles on Business and Human Rights			All	
2	The company has operating and management procedures to avoid directly causing or contributing to adverse human rights impacts through its own activities			All	
3	The company mitigates and/or remediates adverse human rights impacts where it identifies that it has directly caused or contributed to said impacts			All	
4	The company seeks to mitigate adverse human rights impacts that are indirectly linked to products or services supplied by its business partners, even if it has not contributed to those impacts			Large company	
Labour					
1	The company has a written labour policy and complies with all national labour legislation			All	
2	The company has a written commitment not to make use of any form of forced, bonded or compulsory labour throughout its operations			All	
3	The company undertakes to comply with the minimum age requirements for admission to employment or work in consistence with the fullest physical and mental development of young persons			All	
4	If the company employs young persons below the age of 18, the company has a list of job functions that can safely be performed by such young persons, in accordance with national law			All	
5	The company seeks to prevent workplace harassment and ensures that decisions concerning hiring, wages, promotion, training, discipline, retirement and termination are based only on unbiased criteria and are not linked to any of the discriminatory characteristics such as race, colour, sex, sexuality, language, religion, political or other opinion, national, ethnic or social origin, disability, birth or other status of an employee?			All	
6	The company takes appropriate preventative and disciplinary actions against discrimination with regard to grounds of discrimination (e.g. age, gender and ethnic origin) and aspects of employment (e.g. recruitment, promotion and remuneration)			Large company	
7	The company investigates all complaints of workplace harassment and provides for effective external/internal grievance mechanisms and remedies			Large company	

Anti-corruption					
1	The company has a written anti-corruption policy in line with all national anti-corruption legislation			All	
2	The company has a mechanism to evaluate the risk of corruption when workers, agents, intermediaries or consultants deal with public officials (including workers of state owned companies), officers and employees of other companies or any other persons capable of unduly assisting the company in any way			All	
3	The company ensures that payments to agents, intermediaries and consultants are legal and in line with standard payments for other service providers of similar ranking			All	
4	The company requires all directors and managers to behave ethically and in conformity with all relevant national laws in accordance with its anti-corruption commitments			All	
5	The company's anti-corruption procedures include how to handle requests for facilitation payments, giving and receiving gifts, engaging in sponsorships, giving political contributions, and how to conduct responsible lobbying			Large company	
6	Information on disciplinary procedures for violations of company anti-corruption policies is available to employees			Large company	
7	The company has a whistle-blowing policy by which employees can safely report suspicion of corruption related cases (e.g. hotline or mailbox) and allocates resources to systematically address the issues that are identified			Large company	
8	The company evaluates the risk of internal and external conflicts of interest in relation to business partners			Large company	
9	The company monitors compliance and continuously identifies strengths and weaknesses in the anti-corruption initiatives to remain effective and up-to-date in addressing changing risks			Large company	
10	The company conducts an due diligence (e.g. financial, legal, labour, tax, IT, environment, market/commercial) on all agents, intermediaries and consultants			Large company	
11	All agreements with agents, intermediaries and consultants are fully documented in written signed contracts.			Large company	
12	The company performs internal audits and has checks in place in connection with all anti-corruption commitments.			Large company	
13	The company's procurement, financial and internal audit personnel have clear instructions to look for and to identify alarms, report them to management, and take follow-up countermeasures			Large company	
14	The company requests external auditors to keep a critical eye and follow up on all alarms and irregularities			Large company	
15	Any alarm or irregularity reported by external auditors is comprehensively and systematically addressed by management			Large company	
AML/CTF					
1	The company has a written AML/CTF policy in accordance relevant national laws and in line with FATF Guidance for Dealers in Precious Metals and Precious Stones			All	
2	The company has a procedure in place to ensure that all company employees who buy or sell diamonds are well informed regarding AML/CTF policies and procedures adopted in the company			All	
3	The company obtains, updates and maintains due diligence (KYC) of all its counterparties (suppliers and customers) to screen for potential risks and to develop a (risk) profile of the business partner			All	
4	The company has designated one or more employees responsible for AML/CTF issues			All	
5	When involved in international transactions the company assesses the AML/CTF risks associated with in its business relationships, incl. enhanced due diligence for higher risk countries, products, services and business partners			All	
6	The company follows internal and/or external reporting procedures for potentially suspicious or atypical transactions in accordance with relevant national laws			All	
Section 4: Sourcing from Artisanal Sector		YES	NO	Comments	
Question					
1	The company is aware of the intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development "Mining Policy Framework" and Moscow and Washington declarations of the KPCS			Sourcing from Artisanal	
2	The company promotes the implementation of the intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development "Mining Policy Framework" and Moscow and Washington declarations of the KPCS to enhance the quality of life of artisanal miners and their families			Sourcing from Artisanal	