



PRESS RELEASE

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WDC marks UN's International Day of Peace with public launch of upgraded and expanded System of Warranties



**Upgraded WDC System of Warranties
DECLARATION**

“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.”

*{sourced} – may be used by companies that do not purchase from open market, but source and aggregate diamonds from production facilities that are owned/partly owned by them

**{where the invoice is generated} – may be used by companies if they specifically want to reference the country of invoice issuance

WORLD DIAMOND COUNCIL System of Warranties

The revised declaration to be added to invoices and memos by sellers of rough diamonds, polished diamonds and jewelry set with diamonds, in accordance with the upgraded WDC System of Warranties. It confirms adherence to the WDC SoW Guidelines, which support universally accepted principles of human and labor rights, anti-corruption and anti-money laundering (AML). The declaration appears against the background of the poster created in honor of United Nations 2021 International Day of Peace.

NEW YORK, SEPTEMBER 21, 2021 – The World Diamond Council (WDC) has marked the 40th anniversary of the establishment by the United Nations of the International Day of Peace with the official public launch of its upgraded System of Warranties (SoW).

“For the International Day of Peace 2021, the United Nations set the theme for ‘recovering better for an equitable and sustainable world,’ and called on us all to mark the occasion with acts of compassion, kindness, and hope,” said WDC President Edward Asscher. “We thus felt it an appropriate occasion to launch the upgraded System of Warranties. It reflects

our vision for a diamond industry that is not only free of conflict, but through its actions also promotes safe and secure working environments, equal opportunity and proper governance.”

Expanded Scope

Like the original SoW introduced 18 years ago, the upgraded SoW requires that all sellers of rough diamonds, polished diamonds and jewelry containing diamonds include a declaration on B2B invoices and other transaction documents, such as consignment memos, stating that the goods being sold comply with the Kimberley Process Certification Scheme (KPCS), and thus meet the Kimberley Process’ standard of being conflict free.

What’s different to the original is that the revised warranty statement additionally includes a commitment that the sellers adhere to the updated WDC SoW Guidelines, which expressly support universally accepted principles of human and labor rights, anti-corruption and anti-money laundering (AML).

Specifically, the WDC SoW Guidelines reference the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Convention Against Corruption, and national AML guidelines that comply with the FATF’s 40 Recommendations on Money Laundering for Dealers in Precious Metals and Stones.

Annual Self-Assessment

A critical new element of the upgraded SoW is that all users will be required to register on a dedicated website, and once a year successfully complete an online self-assessment, to gauge their compliance with the WDC SoW Guidelines.

The self-assessment questionnaire is the primary component among a suite of due diligence tools that is provided on the dedicated WDC System of Warranties website, which was launched today at: <https://www.wdcsow.org>.

The self-assessment questionnaire is individualized according to the size of the company or organization being tested, by the specific range of business activities in which it is involved, and whether it is already compliant with other recognized due diligence systems, like the Responsible Jewellery Council’s Code of Practices or De Beers’ Best Practice Principles Assurance Program.

Supporting Implementation of the Upgraded SoW

To assist members of the industry to implement the upgraded SoW, the WDC is undertaking an extensive international educational program, in coordination with diamond bourses and other national and international trade associations. Information about the program will be made available in the near future.

To enable a smooth transition from the original to the upgraded SoW, there will be a transitional period, during which companies still can decide to accept the older warranties from their clients, of three years in the case of rough purchases and five years in the case of all other purchases.

About the World Diamond Council

The World Diamond Council (WDC) is an industry organization focused on preventing conflict diamonds from entering the global supply chain and on preserving the value attached to natural diamonds. Formed in 2000, it is the only organization where the diamond trade is represented in full, from producer to retailer, and includes the most influential commercial businesses, not-for-profit organizations, and individual companies in the industry today. The WDC is the voice of the international diamond industry in a tripartite collaboration with governments and civil society known as the Kimberley Process (KP). The KP secures and manages monitoring processes that have virtually eliminated the trade in conflict diamonds to ensure that the world's supply of diamonds is from sources free of conflict. Visit www.worlddiamondcouncil.org to learn more.