

## Social Responsibility

### Conflict-FREE

Conflict diamonds are diamonds used by subversive movements or rebels to gain power and money to fund their illegal operations. [Global Witness](#), an international non-governmental organization reported that corruption and Human rights abuses were running rampant over diamonds.

In 1998 the U.N. passed the [United Nations Security Council Resolution 1173](#) to stop the violence, smuggling and illicit trading of diamonds to global markets. The Diamond Industry responded with the support of the [World Federation of Diamond Bourses](#) and the [International Diamond Manufacturers Association](#) (IDMA)

It was resolved with the creation of the [World Diamond Council](#), a lobby group, to represent the diamond industry to work with the United Nations and governments in developing ways to control conflict diamonds.

By 2002, the U.N. adopted the [Kimberley Process Certification Scheme](#) . The KPCS requires that each signatory country must certify all rough diamond exports are conflict-free and must allow rough diamond import only from other participating countries also certified as conflict-free. To-date there are 75 participating countries that adhere to the Kimberley Process (KP).

In April 25, 2003, the US passed the Clean Diamond Trade Act that was signed into a law that would insure their participation in the KPCS. Diamonds mined in Canada are conflict-free. Canada, as a KPCS participant, passed legislation in 2002 making it illegal to import or export diamonds from non-compliant KPCS sources.

Palladora only purchases diamonds from the most respected diamond cutters who are in compliance with the Kimberley Process, certifying they are Conflict-free, natural and untreated other than polished.

Through measures such as the Kimberley Process, which tracks diamonds from the mine to market, the Jewellery Industry in partnership with the United Nations, governments, and non-governmental organizations monitors diamond exports to prevent the trade of illegal diamonds.