



The more you know, the less gold glows.



Fact Sheet: Signet, Rio Tinto and the Responsible Jewellery Council

Responsible Jewellery Council

The Responsible Jewellery Council is a trade association comprised of jewelry retailers, manufacturers and mining companies.

In the wake of campaigns targeting dirty gold and conflict diamonds, the RJC launched a certification system in 2009, but excluded civil society and impacted communities from its decision-making process. Its industry-exclusive certification system is in contrast to other leading certification systems such as that of the Forest Stewardship Council.

As a result of this exclusion, standards are often weak and riddled with loopholes. Under RJC certification, mining companies can dump mine waste into lakes and oceans, fail to obtain consent of indigenous communities and fail to set clear limits on water and air pollution when developing projects.¹

Loopholes have resulted in rushed certification of clearly poorly performing companies. For example, the RJC certified mining company Rio Tinto in July 2012, six months before Rio Tinto completed the certification process for all its mine sites. Rio Tinto then used the RJC audit as proof of its sustainability commitments to the London Olympics, for which it was supplying gold.²

Signet

The world's largest jewelry retailer, Signet generated more than \$4 billion in sales in 2014.³

Signet generated about \$3.5 billion in sales in the US, or about 4.8 percent of total jewelry sales in the US.⁴

Signet holds a long-term contract with Rio Tinto to supply its diamonds.⁵

Signet is a founding member of the Responsible Jewellery Council. It currently serves on both the Standards Committee and the Board of Officers.⁶

Rio Tinto

In 2012, Rio Tinto locked out 780 workers at an aluminum smelter in Alma, Quebec after workers and union members rejected management attempts to halve salaries and outsource the workforce. Rio Tinto finally relented six months later, after negotiations with the United Steelworkers.⁷

In Mongolia, a Rio Tinto worker was dismissed for protesting the unequal wages of Mongolian nationals and expatriates, who were being paid 10 times more than locals.⁸ The Ministry of Labour confirmed at the time that Rio Tinto was in violation of the Oyu Tolgoi Investment Agreement and the Supreme Court ruled the termination to be unlawful.

Wikileaks released documents that showed Rio Tinto demanded special conditions in developing the Oyu Tolgoi mine – government officials moved through Parliament law changes on roads, taxation and water, including an amendment to allow the company to extract groundwater.⁹

In May 2013, the US refused to vote for involvement in a World Bank financing of the Oyu Tolgoi mine, citing environmental concerns and inadequate impact studies.¹⁰ A year before, a group of Mongolian herders also expressed concern about this funding. In a complaint to the IFC, the group stated that Rio Tinto did not provide free, prior and informed consent, as required by IFC policy on indigenous peoples, and failed to adequately compensate the herders for their forced resettlement.

Rio Tinto's subsidiary Kennecott Copper operates Bingham Canyon, the world's largest mine. The second most polluting mine in the US, state and federal agencies have repeatedly had to rely on legal or administrative action to compel the company to respond to its impacts. In February 2008, federal officials took legal action against Kennecott for the release of hazardous substances such as arsenic and lead that harmed natural resources, including migratory birds and their support ecosystems.¹¹ According to the Utah Physicians for a Healthy Environment, Rio Tinto's own data show that its Kennecott mine causes 150 premature deaths per year.¹²

Rio Tinto has 40 percent ownership in the Grasberg mine in Indonesia, which is notorious for its worker accidents, human rights violations and environmental pollution. In 2013, 28 workers died in an accident the Indonesian National Human Rights Commission determined could have been avoided.¹³ The mine dumps 200,000 tonnes of tailings directly into the Otomina and Ajkwa rivers, a practice that has been banned by other mining companies. The tailings have buried acres of forests and have rendered nearby rivers and wetlands unsuitable for aquatic life.¹⁴ The company's presence has led to a militarization of the area that has led to killings and human rights violations.

Rio Tinto is planning to build a diamond mine in central India, despite ongoing protests by local tribal communities, who oppose the massive destruction of forests.¹⁵ Local civil society group PAHAL said that the project would destroy prime forest habitat, home to wild animals including leopards, tigers, sloth bears and hyenas. The proposed mine area would partly fall within restricted forest area and close to the Panna Tiger Reserve.¹⁶ Environmental activists sued Rio Tinto in 2011 for violating environmental laws, prompting the Madhya Pradesh High Court to demand that state and federal governments respond to the allegations.¹⁷

Most recently, Rio Tinto and fellow mining giant BHP Billiton plan to build a copper mine in a public land exchange with the US government. As a result of a rider tacked into the massive Defense appropriations bill, Rio Tinto and BHP will acquire 2,400 acres of

the federally protected Tonto National Forest in southeast Arizona in exchange for 5,000 acres in parcels scattered around the state. In addition to federal protections, this land is also considered to be sacred by the San Carlos Apache Tribe and other southwestern nations, who mounted vigorous opposition to the project.¹⁸

¹ Based on review of [More Shine Than Substance](#), IndustriALL et al, and [Code of Practices 2013](#), Responsible Jewelry Council.

² IndustriALL, CFMEU, Earthworks and MiningWatch Canada, "[More Shine than Substance: How RJC Certification Fails to Create Responsible Jewelry.](#)"

³ Page 1 of [Annual Report](#), Signet.

⁴ Percent figure based on report of US sales published in Signet Annual report.

⁵ "[Rio Tinto releases newest Select Diamantaires list.](#)" National Jeweler.

⁶ Signet Vice President David Bouffard serves on RJC's Standards Committee and Communications Committee; Corporate Secretary Mark Jenkins serves as RJC's Honorary Secretary. RJC website.

⁷ [Unsustainable: The Ugly Truth about Rio Tinto.](#) Industriall.

⁸ [Unsustainable: The Ugly Truth about Rio Tinto.](#) Industriall.

⁹ [Unsustainable: The Ugly Truth about Rio Tinto.](#) Industriall.

¹⁰ [U.S. Abstains on Controversial World Bank Mongolia Mine Project.](#) Interpress News Service.

¹¹ "[Problems with Bingham Canyon Mine.](#)" Earthworks.

¹² [Unsustainable: The Ugly Truth about Rio Tinto.](#) Industriall.

¹³ "[Grasberg - deadly accident in Rio Tinto mine could have been prevented.](#)" Industriall.

¹⁴ [Troubled Waters.](#) Earthworks.

¹⁵ "[India: ongoing opposition to Rio Tinto's proposed Bunder diamond mine.](#)" Free Speech Radio News.

¹⁶ "[Rio Tinto accused of threatening endangered tigers.](#)" Australian Broadcasting Corporation.

¹⁷ "[Locals earned little from Rio Tinto's diamond project.](#)" Hindustan Times.

¹⁸ "[Congress Raids Ancestral Native American Lands With Defense Bill.](#)" Huffington Post.