

Gemstone Value Chain: an Integrated Local Value Chain

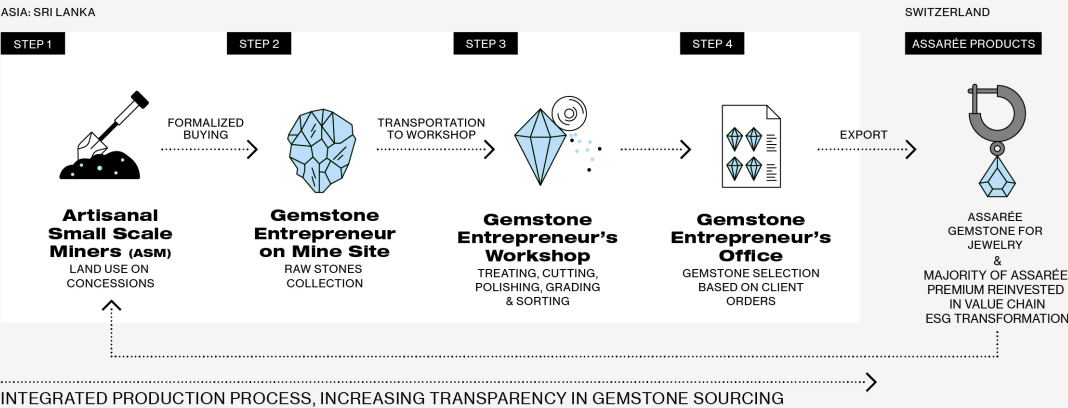
Systemic issues

- To find more than one Gemstone with the same carat weight, the same clarity, and colour from the same mine site is a pure chance at a specific time
- Uniform designs with specific carat weights dominate the jewelry market, forcing jewelry brands to source from several different mines and traders, blurring the transparency negatively impacting social and environmental practices

Environmental, Social and Governance issues (ESG)

- In “ordinary” ASM mining, miners only get paid for their finds rather than their working hours
- The Health & Safety measures in ASM gemstone mining today are rudimentary often including informal trading and export practices
- ASM mining frequently happens on non-licensed areas leading to environmental destruction, threatening biodiversity

GEMSTONE VALUE CHAIN: AN INTEGRATED LOCAL VALUE CHAIN FROM MINE TO MARKET



Unique:

The X Foundation has a unique impact approach focusing on transparency rather than standards and an impact road map rather than certification.

The X Foundation Gemstone value chains are unique in being locally fully integrated from mine to market, supporting transparent processing as well as local value creation. An industry game changer in the ASM value chains The X Foundation is supporting is that it is recognized that in order to supply the jewelry market with stones of a particular type, size and cut keeping full transparency and traceability, solutions are partnerships with different mines or limiting the amounts of same styles in jewelry collections.

Transparent:

Being transparent provides knowledge through access and visibility to current supply chain practices. It further allows impact programs to be rolled out and measured along the whole value chain. #KnowYourSource (KYS)

All partners along the value chain have committed to integrate transparency as the baseline of their activities supporting Assarée’s claim that “without transparency there is no sustainability”. The X Foundation in partnership with its bridge builders¹ will organize impact trips for Assarée material clients to visit the integrated value chains and therefore get a first-hand insight on the local realities and contexts.

Impactful:
Social and environmental impact are inherently interlinked and, in combination, lead to sustainable, long-lasting impact programs for resilient, striving communities and an attraction towards clean production processes.

Assarée Gemstones: The ESG Impact Roadmap

In Collaboration with Impact Partners

	Now	2021	2023	2025
E	Eco-efficient Machinery	Carbon-Neutral	Water-Neutral	Climate-Positive
S	Decent & Safe Work	Financial Inclusion	Better Livelihoods	Thriving Communities
G	Formal Licensing	Formal Exports	Track and Trace (with DNA)	Integrity at All Levels

*(may be subject to change based on the local context of the source and its development)

The X Foundation ESG impact road map will be adapted to the local context of every region and country engaged in. The impact road map is based on an ESG framework supporting environmental, social and governance aspects. Reporting is focused on the transformation of the value chains towards the impact goals.

[\(See Impact Icons table for details on Impact criteria\)](#)

¹ An expert of a specific value chain connecting all value chain participants to source materials in the most effective and responsible way