

CRYSTAL CLASSICS LTD

Fair Trade, Sustainability and The Environment

(Our products and our relationships with both the Planet that we inhabit and the peoples of our Planet with whom we trade).

Introduction

The directors of Crystal Classics Ltd hold strong views regarding the economic and social impact of the global business community upon our planet and its future. We are not prepared to make corporate statements which pay lip-service to such important issues, and which are often factually baseless, often deliberately so.

This document is an attempt to convey the philosophy of our company, and to outline how we are able to translate our philosophy into some positive and beneficial effect. Where we are unable to do so, we are prepared to acknowledge this, but we commit to endeavour to work towards improvement in any such area.

We make no apology for the somewhat lengthy nature of this document. We trust that customers who genuinely have such issues at heart will be prepared to read, consider and perhaps criticise our views and activities. We are open to any constructive criticism and genuine suggestion for improvement in our activities. We summarise our Company policies and statements at the end of this document – deliberately so, and in the hope that customers who are genuinely interested in our products, our activities and the environmental cause, will take the time to read on.

Our Products - An Overview

The majority of our products are rock, mineral and gemstone related. These products are the core of our business and we know (or can reasonably assess) most aspects of their source, extraction, conversion and supply. Generally, we can reassure our customers that these products are environmentally acceptable according to all reasonable definitions and contribute positively to an ethical and sustainable world economy. A small % of our products, such as books, CD's, metal and plastic items etc, we make no claim to understand well, nor monitor in terms of ethical or environmental status. We recognise our failing in this regard, but it is beyond our level of resource, to do so. Nor would we have any meaningful influence upon the suppliers and manufacturers of such items.

Our Suppliers – An Overview

Over many years we have developed strong relationships with suppliers of our products in numerous countries. The majority of our products originate from 'Third World' countries for reasons which are explained later. It is an uncomfortable fact, but rarely acknowledged, that people from such countries have almost no knowledge of environmental or ethical issues and often fail to comprehend at all our 'Western World' concern. It is therefore incumbent upon us to educate, encourage and promote awareness of environmental issues wherever we may hold any sphere of influence. Development of long lasting supplier/customer relationships is key to this aim. It is the only way to bring positive and beneficial pressure to bear upon suppliers in remote and often poverty stricken parts of the world. We pay particular attention to selection of our suppliers and thereafter make long-term commitments to these suppliers. As a result we are better able to secure genuine commitment to product quality, stability of price and improvement in working conditions and environmental awareness. Only a stable and profitable business climate will persuade many of our suppliers to respect and indeed invest in their own future and surroundings. Often, we pay higher prices for our products than our competitors, however we maintain a reputation for quality and reliability of supply, something not achievable by others with the philosophy to squeeze local suppliers and buy from the cheapest supplier on the day perhaps the greatest driver of destruction of our planet, and the antithesis of sustainability.

Our Local Environmental Policy

In terms of our domestic business activity, we commit to make every effort to protect the environment from the effects of our business activities. We strive to hold to the 'Hierarchy of Waste' principle; to reduce, reuse and recycle. Already a 'low impact' business in environmental terms, we continue to pursue business practice which can be both environmentally advantageous and financially beneficial to our business. Practical examples include

- i) Re-use of cartons and packaging materials – at some risk of being perceived as unprofessional we insist on re-use of any serviceable packaging materials.
- ii) Reduction in use of motor vehicles – wherever possible we communicate with customers or potential customers by email or telephone. We make visits to our customers strictly by appointment and only whenever there is good reason to do so. We never cold call in an attempt to eliminate wasted energy use and cost. We trust that our products will speak for themselves.
- iii) Long term development of key supplier relationships – hard work and commitment to this enables a massive reduction in wasted energy, particularly in relation to air travel etc.
- iv) Re-cycling – wood and steel packaging, printer cartridges etc.

Our Products & Suppliers – A More Detailed Discussion

Ethical Work, Fair Trade & Sustainability

The majority of our products are extracted from the earth generally but loosely termed as 'mined'. Given the extreme diversity of raw material for our products, it is extremely difficult to determine every condition of extraction and the working environment of those involved. However, our knowledge and experience can provide a reasonably accurate picture of the typical mining situation which exists in relation to our products. Perhaps the most important fact to convey is that almost without exception, the raw materials extracted, quarried or mined which become our finished products, are not valued in terms of world commodities and therefore should not be assumed to be 'products of the mining industry'. This is critical to understand, since it is a fact that past and present commercial mining operations have often created, (and still do create), an appalling environmental legacy. At best, an eyesore of waste and landscape. At worst, poisoned and sterile ground, rivers and lakes toxic and devoid of life. This result is typically due to the economics of large scale commercial mining, where vast quantities of material are extracted, crushed, washed or leached (often with chemicals) and tiny percentages of valuable metals obtained leaving almost 100% of the extracted material as waste. This has occurred, and is still occurring all over our planet. Only recently are mining companies beginning to face up to their responsibilities in this regard, but usually only those that have an international corporate 'face' which can be shamed and/or threatened with legal action. Of course, there should be some balance here in our simplistic appraisal...the mining of materials has long sustained the innovation and development of the human race and great benefit and advancement has been achieved since man first walked the earth!

In contrast to such large scale commercial activity, there are many thousands of smaller scale mining and quarrying activities which are constantly starting up, releasing the hidden treasures of our planet, providing work and economic benefit to those involved and often supporting human existence in a positive and relatively undamaging way. The mineral and crystal specimens, which constitute a large proportion of our products typically originate from such small scale activity and invariably provide beneficial input to the local communities involved.

The typically under-developed status of such locations and the indigenous people, almost always results in a positive local contribution...and limited environmental impact. Not least because the mining techniques are so reliant upon genuine human endeavour and low technology methods of extraction. Fortunately for Crystal Classics, it is exactly this status which allows us to operate within an environmentally positive situation....

..... it is only the mineral specimens and materials which have been extracted with care and consideration that constitute a desirable and saleable produce – our products! Even at the margins of ethical boundaries, mineral

and crystal specimens are often extracted by workers in large-scale mining operations, smuggled out and sold to supplement a meagre wage. The mining conglomerates make every effort to stamp this out of course, preferring to crush and discard such specimens. It should be noted at this point that much of the mineral and crystal specimens which we hold dear are not valuable to the mining industry and have little or no commercial value to the large industrial. Generally, with the exception of precious gems of course, mineral specimens only acquire value when made available to those of us who find their form, colour and variety fascinating, and who have disposable income available to acquire such items.

Aside from the issues surrounding the sourcing of our raw materials, Crystal Classics also pays close attention to the working conditions of local employees involved in the manufacturing of our polished and fashioned products. Having identified key major suppliers and formed long term supply relationships, we have visited most of these key suppliers to satisfy ourselves that not only do the workers operate in reasonable conditions relating to health and safety, but that working hours and levels of pay are acceptable, albeit not at levels typical of the western world. Careful judgement has to be made in this regard, however one can quickly identify a happy workforce and searching questions to management will often expose inconsistency in information which assists in forming a true picture. At Crystal Classics, we typically look to persuade our suppliers to improve any aspect of production with which we have concern. We almost never walk away from the supplier and therefore our responsibility to effect beneficial and positive change.

CONCLUSION

- Crystal Classics Ltd operates diligently with high awareness and consideration of all environmental and ethical factors associated with its business.
- Our core products may be considered wholly sustainable according to accepted definitions within the minerals sector.
- Crystal Classics promotes ongoing improvement in working conditions and wealth creation in third world countries by means of development of long term business relationships, creating stable conditions for suppliers to invest in their own future for the benefit of themselves, their employees and the extended communities in which they operate.