

Social, ethical & environmental matters

Introduction

Signet recognises that many different stakeholders have an interest in its activities, and that the Group's success is dependent on the strength and effectiveness of its relationship with them. Signet's approach to the governance of social, ethical and environmental ("SEE") matters, its framework of principles and policies, its relationship with key stakeholder groups and major initiatives that have occurred in 2007/08 are set out below.

Governance of SEE matters

The Group has a formal SEE governance framework with SEE principles and policies being included in the schedule of matters reserved for the Board. The Group Chief Executive has been designated as the director responsible for SEE matters including those relating specifically to climate change, and reports to the Board on a regular basis.

The Group SEE Committee ("SEE Committee"), chaired by the Group Company Secretary, and consisting of senior managers from the UK and US, has responsibility for the implementation of the various aspects of the SEE principles and policies, including climate change initiatives, through a programme approved by the Board. Both the US and UK have a divisional SEE committee, members of which make up the SEE Committee and are drawn from the merchandising and buying, human resource, corporate communication, finance and internal control functions. The SEE Committee meets at least four times a year. The Group Company Secretary reports to the Group Chief Executive regarding the Committee's work.

Matters for which the SEE Committee has responsibility include:

- identification of significant risks to the Company's short and long term value arising from SEE matters;
- ensuring that the Board has adequate information to take account of material SEE matters;
- development of relevant SEE principles and policies for consideration and approval by the Board;
- implementation of the SEE programme agreed by the Board;
- reviewing systems for managing significant SEE risks;
- benchmarking the SEE performance and reporting of the Group against other general retail sector companies; and
- preparation, for review and approval by the Board, of public SEE disclosures and reporting.

The procedures for SEE risk management are embedded within the management structure of the Group. SEE risks are discussed in 'Risk and other factors' on pages 44 to 50.

Signet has important relationships with a wide range of different stakeholders, including shareholders, customers, employees, suppliers and communities. The Group engages with these stakeholders in a number of ways, including consumer research, customer service facilities, employee attitude surveys, supplier relationship management systems, investor relations programmes and participation in civic and community activities. In addition, Jewelers of America (the US speciality jewellery retail trade association) engages with stakeholders in the industry, including non-governmental organisations, trade

unions, producers and manufacturers, governments and consumer groups, on major issues. Signet is the world's largest speciality jeweller. However, its share of the worldwide jewellery and watch market is less than 3% of the total. Therefore, it is the Group's belief that it can be most effective in influencing improvements in the supply chain by working with other industry representatives who together can, by concentration into a single industry voice, be representative of many aspects of the supply chain and use their combined influence in working to improve it as a whole. In support of this position, the Group Chief Executive is on the Board and is Chair Elect of Jewelers of America and chairs its Ethical Initiatives Committee. He is also a director of the Council for Responsible Jewellery Practices ("CRJP") (as is the Group Company Secretary), and during 2007 chaired the World Diamond Council ("WDC") Consumer Awareness Advisory Committee.

Principles and policies framework

The Board has adopted a Statement of SEE Principles ("Principles") outlining the Group's policy to operate as a profitable and reputable speciality jewellery retailer, the Group's responsibilities to various stakeholders and the SEE principles by which it operates. The Principles cover the following areas:

- accountability to stakeholders;
- business integrity;
- human rights;
- labour standards;
- health and safety;
- the environment; and
- community.

The Group has a Supplier Code of Conduct ("Supplier Code") and policies on business integrity, health and safety, the environment and labour standards. The Principles, Supplier Code and other policies are now incorporated, as appropriate, into the Group staff induction process and operational procedures within the business. More detailed information is available on the Group's website (www.signetgroupplc.com).

Signet's principles and policies are intended to provide a framework with which the divisional policies and procedures conform. They do not replace detailed divisional policies and procedures.

Developments in 2007/08

During the year the Group:

- enhanced its internal controls to ensure credible internal monitoring and third party assessment of processes supporting implementation of the Kimberley Process Certification System ("KPCS") and the WDC system of warranties which were designed to eliminate conflict diamonds from the legitimate diamond trade, details of which are set out on page 63;
- maintained its active involvement with the Council for Responsible Jewellery Practices to ensure consumer confidence in the diamond and gold jewellery supply chain;

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- continued the development and implementation of climate change initiatives across the Group;
- continued to expand the scope and enhance the methodology for the collection and validation of environmental data, including development of new KPIs and data collection processes for “indirect scope 2 greenhouse gas emissions”;
- continued to increase its communication of SEE matters with stakeholders, including employees, industry participants, investors and non-governmental organisations; and
- continued the development of the formalised community affairs programme.

Our stakeholders

Signet’s commitments to various stakeholders are articulated in the Principles. These are summarised below:

Shareholders

Signet’s aim is to deliver an acceptable growth in value to shareholders which is sustainable, thereby protecting shareholders’ short and longer term interests. The Group’s responsibilities to shareholders are set out in more detail in the Corporate governance statement on page 58. The Group is committed to maintaining open dialogue with its shareholders on SEE and other matters. Signet has been a member of the FTSE4Good UK Index (the “index”) since its launch and endeavours to meet the changing criteria of the Index. The Index has recently enhanced its requirements for environmental management, as well as introducing criteria relating to climate change and bribery and corruption. Signet has successfully met all new and applicable Index criteria, thereby retaining its inclusion.

Customers

Signet’s mission is to meet, and where possible exceed, customer expectations through a high standard of customer service, high store standards, and by offering real choice and value. In doing so the Group endeavours to maintain product integrity by ensuring the quality of Signet’s products and by offering merchandise that is responsibly sourced, and is in compliance with its obligations under the KPCS and the WDC system of warranties.

The Group’s policy is that all customers should be treated with respect and warmth. Sales training programmes include modules on treating all customers with respect generally. The Group has customer service departments, complaint resolution processes, mystery shopper programmes and conducts market research to gain a better understanding of customer requirements. In the US division there is also a monthly customer satisfaction index for each store and a similar programme has been successfully tested in the UK.

Employees

Employees are key to Signet’s ability to achieve its objectives and mission. Therefore teamwork, integrity, communication, and fair treatment of employees all play an important part in the way the Group operates. Furthermore, Signet’s ability to operate in accordance with its Principles is dependent on its employees’ understanding of them and the way in which the Principles have an impact on their respective roles and responsibilities.

Signet considers its relationship with its employees to be excellent and values honest, open and constructive two-way communication

throughout the organisation. This is achieved through store, area and regional management meetings in addition to staff opinion surveys, feedback reports and staff meetings. These procedures facilitate consultation during which the views of employees can be expressed and taken into account in decisions likely to affect their interests. Staff are kept informed of the Group’s performance and objectives through management contact supplemented by staff publications in both the UK and US. The involvement of employees in the Group’s results is encouraged through participation in performance-related incentive payment schemes and savings-related share option schemes which include all Group employees subject to minimum employment requirements. The Group does not restrict or discriminate against employees who wish to be covered by collective bargaining agreements.

The Group’s policy is not to tolerate any form of unlawful discrimination on any grounds or at any level. In respect of people with disabilities, full and fair consideration is given to employment, opportunities for training, career development and promotion according to their skills and capacity. There are well established dispute resolution procedures in both divisions. The services of any existing employees who become disabled are, where possible, retained and appropriate training is arranged for them wherever possible. The Group assigns responsibility for human resource matters, including health and safety, to divisional executive management committees. Both the UK and US operations have established systems which include the provision of training and development opportunities at all levels of the organisation. See pages 17 and 27 for further details.

Performance indicators relating to employee relations have been agreed and baseline data was collected in 2007/08 and will continue to be collected in 2008/09.

Supply chain

The Group recognises that stakeholders expect companies to exert influence, where possible, over vendors to ensure that SEE standards are upheld throughout the supply chain. The Supplier Code outlines Signet’s commitment to its vendors and the expectations it has of them. It includes requirements relating to legal compliance, health and safety and labour conditions, freedom of association, the environment, ethics and conflict diamonds. This Code is available at www.signetgroupplc.com. The Supplier Code applies to suppliers and agents with whom Signet deals directly and Signet regularly discusses its implementation with them. Those vendors and agents are encouraged to ensure that the Supplier Code is communicated throughout the supply chain. During 2007 Signet wrote to all priority sources of diamond and gold jewellery highlighting the importance it places on a responsibly managed supply chain and reminding them of the expectations it places on them as suppliers to Signet. The letter concluded that in the Group’s opinion the most efficient way of addressing supply chain issues is on an industry wide basis and that the best and most effective way of doing that is through the CRJP. Signet also actively encourages participants to join the CRJP at industry events.

Most of the raw and processed materials for the merchandise sold by Signet are traded on commodity exchanges or through multiple brokers and traders thereby making the original source difficult to trace. Signet believes that SEE risks at the mining, trading and secondary

processing phases of the supply chain are more effectively managed through co-operation within the industry. Signet therefore actively participates in the CRJP and Jewelers of America in considering what action can be taken to set SEE standards and influence matters throughout the supply chain. Jewelers of America has adopted a Statement of Principles relating to SEE matters and a programme to communicate those principles to its members as well as having developed a supplier code for the industry reflecting those principles.

Signet is also working, where appropriate, with other trade bodies such as the WDC and the Jewelers Vigilance Committee to be better able to respond to SEE issues at an industry level.

Conflict diamonds

One of the specific issues facing the Group and the diamond sector is conflict diamonds. These are diamonds sold by rebel movements to fund military campaigns. The Group is a member of the WDC which, together with Jewelers of America and other industry members has worked with the United Nations, government bodies, commercial interests and civil society to introduce an effective system for the certification of the source of uncut diamonds. This system, known as the Kimberley Process Certification System was formally adopted in November 2002 and came into operation during 2003. Details regarding the KPCS are available at www.kimberleyprocess.com. The WDC also introduced a system of warranties for the trade in polished diamonds whereby the seller confirms that the diamonds comply with the KPCS. Details concerning the WDC are available at www.diamondfacts.org.

Following the adoption of the KPCS and the system of warranties, Signet wrote to all of its trade diamond and diamond jewellery suppliers requiring them to supply the Group only with merchandise that complies with the KPCS and the WDC system of warranties. Signet's systems, procedures and documentation have been developed so that only diamonds that are certified in accordance with the KPCS requirements or the WDC system of warranties on invoices, annual agreements, or both are accepted from trade suppliers. As the Group develops its rough diamond sourcing and manufacturing capabilities, it has enhanced its KPCS processes in accordance with the requirements relating to rough diamond sourcing.

The Group has also trained its buying staff with regard to the KPCS and the WDC system of warranties requirements and briefed its sales associates on its operation. The audit of these procedures as required by KPCS, described below, is undertaken, and the audit results have confirmed the Group's compliance.

An internal audit of the Group's rough diamond trading is undertaken annually. A programme is developed each year before the audit commences and additionally includes the verification of the WDC system of warranty statements. After the field work is completed a formal audit report is produced in a similar way to any other internal audit and any actions are logged in a management actions register for follow up and consideration by the Group's Risk Management Committee at its quarterly meetings. At the same time any points from the previous audit will automatically be followed up when the next annual audit is performed. Ultimately a summary report is submitted and reviewed by the Audit Committee.

As part of the programme internal audit teams visit every store at least once a year and through Signet's compliance programme ask questions related to conflict diamonds which are formulated in a very specific manner aimed at seeking verification, or otherwise, of designated aspects of compliance including training of store staff. These questions are updated periodically to reflect new processes adopted by stores in response to current events. A monthly report is also submitted to the divisional executive committees on compliance levels of stores and responses to customer questions on conflict diamonds, so that any corrective action that may be required can be taken in a timely manner.

The internal audit results confirmed the Group's compliance with KPCS and the system of warranties.

As a result of the rough diamond sourcing initiatives during 2006/07 the Group engaged a third party to review its systems for compliance with the requirements of the KPCS. Although Signet was not required to do so, the same third party was also engaged to review its compliance with the WDC system of warranties for polished stones and Signet's internal training procedures and practices at both its US divisional office and stores.

To date a third party review of systems for compliance with the requirements of the KPCS has only been undertaken in the US division as that is where rough diamond sourcing has been carried out. In the UK, in addition to the implementation of management's own processes, including internal audit assessments, an exercise to assist the UK division to evaluate its controls with regard to the WDC System of warranties applicable to polished diamonds in the UK, has been undertaken with a third party.

In February 2007, Amnesty International and Global Witness released the results of their International jewellery retail industry survey. The survey questioned 37 top retailers in the US and 42 in the UK. Signet was cited as an industry leader in terms of its processes for implementation of the WDC system of warranties due to its robust auditing processes.

The US division also keeps its systems for compliance with the US Patriot Act under regular review, updating its procedures where necessary.

As of November 2007, the Kimberley Process had 48 members, representing 74 countries, (with the European Community and its Member States counting as an individual participant) and accounted for approximately 99.8% of world diamond production. A further six countries affirmed their intention to join the Kimberley Process, while five more have all expressed their interest in future participation.

Since the formal adoption of the KPCS in November 2002, annual plenary meetings have been held to assess progress and consider additional steps to assist in enhanced implementation. At the fifth annual plenary in 2007 in Brussels, the Kimberley Process was further consolidated. The plenary noted that all 46 recommendations of the three year review that had been accepted in 2006 were either completed or well under way. These included the key issues of funding and resource requirements; further analysis; government oversight of industry; and the treatment of illegal shipments. Participants were asked to ensure stronger government oversight of rough diamond

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trading and manufacturing. The Brussels Declaration on internal controls of participants with rough diamond trading and manufacturing capabilities which gives guidance on controls for record keeping, spot checks of trading companies, physical inspections of imports and exports and maintenance of verifiable records of rough diamond inventories was endorsed. Greater transparency has also been brought to the KPCS through the publication of diamond production and trade statistics, the production of a compendium of KPCS rules and decisions and the upgrading of the KPCS website. During 2007, the KPCS Working Group on Monitoring, completed the first round of peer review visits. A second round of review visits has now been launched, with a visit to Zimbabwe. The KPCS publicly released global statistics for the first time in 2007 and posted them on the KPCS website. More detailed data will be released in 2008. The plenary also approved a field visit plan for artisanal/alluvial producers and to improve internal controls and enhance local community involvement.

Industry initiatives

As already stated above Signet believes it can be most effective in influencing improvements in the supply chain by working together with other industry representatives. One such industry initiative where Signet is playing a leading role is the CRJP.

The Council for Responsible Jewellery Practices

The CRJP is an industry group representing the entire length of the diamond and gold jewellery industry supply chain from the mine to retail. More information is available on the CRJP website (www.responsiblejewellery.com).

In 2004 Signet was one of the signatories to a Statement of Intent that formed the basis of an agreement for further co-operation to promote increased consumer confidence and integrity in diamond and gold jewellery by promoting responsible business practices throughout the industry. As a result, during 2005, the CRJP was formed as a not for profit organisation whose members are participants in all aspects of the diamond and gold jewellery industry.

The CRJP for the first time seeks to bring together all participants of every aspect of the diamond and gold supply chain from mining to retail to promote responsible business practices. The CRJP aims to maintain consumer confidence in diamond and gold jewellery products and the trust of all interested stakeholders in their industry. The CRJP believes that a co-ordinated worldwide industry approach to improving business practices will provide increased clarity to the diamond and gold jewellery industry and be most effective in implementing the industry standards necessary to maintain consumer confidence and the integrity of the product.

The CRJP mission statement is to promote responsible practices relating to business ethics, social, human rights, and environmental performance throughout the diamond and gold jewellery supply chain, from mine to retail. In accordance with its mission the CRJP has developed a Responsible Practices Framework which consists of:

- The Mission Statement: High Level Introduction to the purpose;
- The Principles: Fundamental ethical, social, human rights and environmental standards;

- Code of Practices: Detailed provisions under the Principles;
- Guidance Documents: An overview of the content, processes and steps for implementing the Responsible Practices Framework; and an introduction and guidance on each of the issues to be monitored under the Code of Practices; and
- Assessment Tools: mapping, centralisation and risk assessment, self assessment and monitoring workbook.

The CRJP will endeavour to implement its mission statement and, seek to reinforce confidence in the diamond and gold jewellery supply chain by:

- the introduction of its Responsible Practices Framework, that will define the ethical, social and environmental standards according to which all members commit to conduct their business;
- making it a condition of membership that members apply the Responsible Practices Framework through an implementation model the key feature of which will be independent third-party monitoring of member organisations from mine to retail;
- working with industry participants to advise on business responsibility issues as they arise and by offering guidance on the use of the Responsible Practices Framework to implement responsible business practices;
- promoting awareness and understanding of key ethical, social and environmental business responsibility issues by working with all stakeholders including, but not limited to, industry participants, trade organisations, governments, and civil society representatives;
- acting as an advocate for business responsibility within the industry and developing initiatives to address ethical, social and environmental challenges through publicly and privately financed projects;
- working with stakeholders and industry participants to continuously improve conformance with the standards and processes set out above and ensuring that they are relevant and achievable, while addressing key ethical, social and environmental challenges with due regard to the business objectives of the industry;
- encouraging members to promote the adoption of the Responsible Practices Framework amongst their business partners; and
- seeking to be inclusive and extending the opportunity for membership throughout the industry.

The CRJP remains dedicated to the objective of reinforcing consumer confidence in the diamond and gold supply chain. The Group believes it is in this forum that it can be most effective in considering environmental and supply chain issues and where, together with other industry constituents, it can more successfully promote responsible business practices in order to reinforce customer confidence and the integrity of the product. From an initial membership of fourteen companies there are now approximately eighty companies encompassing all aspects of the supply chain from the mining companies to retailers. A key membership requirement of the CRJP will be an independent assessment of compliance with the Code of Practices (in accordance with the Responsible Practices Framework) which was adopted after extensive consultation, in September 2006. The CRJP is currently developing the implementation system for the Responsible Practices Framework which is expected to be launched during the course of 2008/09. In anticipation of and in preparation for this assessment the Group is progressing its corporate responsibility

agenda developed a self-assessment process against the Code of Practices during 2007, the results of which were favourable.

The Diamond Development Initiative

The Diamond Development Initiative aims to find sustainable methods to ensure that alluvial diamonds produced by artisanal methods are mined and distributed for the benefit of local communities and governments. Signet has contributed to a specific project of this initiative and continues to support it.

Madison Dialogue

The Madison Dialogue is a US based cross-sector initiative in which Signet participates. It promotes communication and collaboration within the jewellery sector among companies, both retail and miners; industry bodies such as Jewelers of America and CRJP; non-governmental groups and other interested parties. It seeks to encourage:

- best practices;
- sustainable economic development; and
- verified sources of responsible gold, diamonds and other minerals.

Initiative for Responsible Mining Assurance

The Initiative for Responsible Mining Assurance ("IRMA") is working to develop and establish a voluntary system to independently verify compliance with environmental, human rights and social standards for mining operations. It seeks to build on existing research, tools, and initiatives including the Framework for Responsible Mining, the ICMM Sustainable Development Framework, the Global Reporting Initiative and research conducted by the International Institute for Environment and Development, the Extractive Industries Transparency Initiative, the World Bank and the Mining Certification Evaluation Project. IRMA participants include mining companies, jewellery retailers, non-governmental organisations and trade associations including the CRJP and Jewelers of America, both of which represent Signet. It is hoped that IRMA will provide standards and an independent verification framework for mining operations that will be complementary to the CRJP Code of Practice.

Environment

The direct environmental impact of Signet's operations is considered to be relatively low compared to many business sectors and to other retailers. An environmental impact review confirmed that:

- jewellery has a very long life and is highly recyclable. Recycling takes place in respect of trade-ins, obsolete inventory, used watch batteries and certain packaging;
- jewellery and watches have an extremely high value to weight ratio and value to volume ratio making transportation through the supply chain relatively low impact. The Group makes use of third party distributors and reusable containers for merchandise distribution;
- the Group occupies relatively little space compared to other retailers of a similar market capitalisation and its sales density is above the jewellery sector average and, therefore, the Group has a smaller physical impact on the environment; and
- Signet's supply chain originates with the producers of the raw materials with whom the Group presently has little direct relationship but it is recognised that the extraction of minerals has an environmental impact that requires careful management by mining companies.

Notwithstanding the above, Signet takes its environmental performance seriously and seeks opportunities to improve it.

Climate change

Signet recognises that there is now broad international scientific consensus that man-made emissions of greenhouse gases are contributing to climate change, and that the economic costs of inaction far outweigh the costs of action. Further, the Group recognises that to combat climate change effectively action is required from all levels of society. Consequently, Signet is committed to playing a role in the transition to a lower carbon economy.

The Group has therefore begun the process of mapping climate change risks and opportunities to the business. The Group in 2007/08 continued to collect baseline data for energy usage and has expanded the greenhouse gas inventory to include emissions from business travel. This process helped to enhance environmental management systems and validate the previous year's results as a basis for setting credible future performance targets. The Group continues to identify and implement initiatives to reduce energy usage.

During 2008/09 the Group will continue to collect and assess baseline data for energy use and greenhouse gas emissions and increase the scope of that collection process and review the methodology of the collection processes. The Group is focused on improving data to establish a more accurate emissions baseline. It is intended that this information will then be used to further develop the Group's carbon reduction management plan, which will include performance targets.

The Group has been implementing eco-efficiency initiatives to reduce energy use since 2003 and continues to assess further opportunities to minimise resource use. Energy use in Signet's retail stores accounts for a large proportion of its climate impact. To address this the Group is testing different energy efficient technology options for the building fabrics, lighting, heating and cooling and energy management in its stores. Over the past year the Group has undertaken a review of energy efficiency opportunities in the new model UK store designs and also undertook energy audits in representative stores in the US.

To ensure that the Group follows best practice in the management of its climate change impacts, it is currently assessing its position in relation to the climate change criteria introduced by FTSE4Good in February 2007. Although this criteria are currently not applicable to Signet because the business is not categorised as high or medium impact, Signet recognises the Index as a measure of best practice and continues to assess its position in relation to compliance.

Climate change and employee engagement

As the subject of climate change rises up the corporate agenda, driven by the gravity of the issue, increasingly it becomes important to enlist employees in the undertaking. This is especially so as there is evidence that employees themselves are showing a growing appetite to both better understand this complex issue and learn what they can do to reduce their own carbon footprints. As Signet seeks to strengthen its own response to the climate change challenge, primarily by focusing initially on the reduction of carbon emissions, in due course it intends increasingly to engage employees more directly on the subject of climate change. Therefore the Group is working to develop an employee engagement action plan specifically related to the issue of climate change.

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SEE key performance indicators

Environmental data has been collated and trend data across environmental performance indicators is now available from 2002 to 2006 at Group and divisional level, both as absolute and ratio values.

Environmental impact monitoring

In 2007/08 the Group continued to collect baseline data for energy usage, greenhouse gas emissions, water consumption and waste disposal. This continuous monitoring has allowed analysis of trends across environmental key performance indicators. Between 2004 and 2006 the data shows a reduction in Group energy use, greenhouse gas emissions and water across a range of business metrics including turnover, shop floor area and employee numbers.

Resource efficiency initiatives

Work is being undertaken in both of the UK and US business divisions to identify opportunities to further reduce our energy consumption. The UK division is working with the Carbon Trust to gain expert advice on potential carbon reduction opportunities specific to its business. The Carbon Trust was set up by the Government in 2001 to accelerate the move to a low carbon economy by working with organisations to reduce carbon emissions and develop commercial low carbon technologies.

The US division has engaged a consulting firm to identify energy saving opportunities. In the US a detailed lighting analysis has been conducted and as part of a store and real estate project, obsolete ballasts have been replaced with new energy efficiency ballasts. A light standard, based on industry standards, has been set for the US divisional office and a lighting replacement programme began at the end of December 2006 for three buildings at the US divisional office and was completed during 2007/08. A number of other initiatives have also commenced relating to in-store energy efficiency programmes concerning light fixtures, reflective roofing materials and store signage. Moisture sensors have been installed in the irrigation system to conserve water use. The US divisional office recycling programme was also expanded,

Jewellery sector initiative

Further, the Group continues to work within the CRJP, the Jewelers of America, the Jewelers Vigilance Committee, the WDC, the Madison Dialogue and the Initiative for Responsible Mining Assurance and with other jewellery retailers in exploring ways in which the jewellery industry can use its influence to improve environmental performance related to mining.

Community affairs

Signet's prime benefit to society is through the contribution it makes to the success and efficiency of the economies in which it operates, through the employment it generates both within the business and throughout its supply chain, the taxes it pays and the value it creates for shareholders. However both divisions have an active local community relationship programme and during 2007/08 various employment sourcing relationships with a number of community organisations relating to people who are disabled, being rehabilitated or suffering from development difficulties were further advanced. The US division received an award for being one of the top employers in the community for individuals with disabilities. Both divisions were

involved in sponsorships with hospitals and quality of life community events for patients with terminal illnesses. In the UK various employee policies were introduced, allowing carers' to apply for a career break of up to six months and for employees to volunteer up to two days paid leave to help a registered charity or cause. A diversity champion has also been appointed in both the US and the UK.

During 2008/09 community partnership initiatives will continue, aimed at strengthening employment opportunities for disadvantaged citizens. Community affairs activities will be maintained with the Group being committed to the support of charitable organisations.

Charitable support

Signet believes it is best to give support to a small number of specific charities rather than fragment its charitable giving. In the US, support is primarily given to The United Way, St. Jude Children's Research Hospital and Jewelers for Children, the industry's charity. In the UK, the Group primarily supports the Princess Royal Trust for Carers. During the period the Group made provision for total charitable giving of \$4,516,000 (2006/07: \$3,379,000). This included direct charitable contributions of \$734,000 (2006/07: \$766,000), of which \$222,000 (2006/07: \$242,000) was in the UK and \$512,000 (2006/07: \$524,000) was in the US, and marketing initiatives on both sides of the Atlantic resulting in additional charitable contributions of \$3,782,000 (2006/07: \$2,613,000). Support is given to the management of Carer Centres operated by the Princess Royal Trust for Carers. Assistance is also given to organisations that help the disadvantaged into employment in the vicinity of the Group's US administrative and distribution centre in Northeast Ohio, such as United Disabilities Services, Mature Services and the Urban League.

No political donations were made in the US or the UK by the Group in the period (2006/07: \$nil).

Human rights

Signet supports the Fundamental Conventions of the International Labour Organisation and the UN Declaration of Human Rights. The Group encourages support and respect for the protection of human rights within its sphere of influence. The Supplier Code sets out the Group's expectation that suppliers should respect the Fundamental Conventions of the International Labour Organisation and the UN Declaration of Human Rights. Signet is working at a senior executive level to address human rights in the jewellery supply chain on an industry wide basis, through the CRJP described above.