



RESPONSIBLE
JEWELLERY
COUNCIL

Lead with purpose in challenging times

Progress Report May 2020

The Responsible Jewellery Council (RJC) is a not-for-profit standard-setting and certification organisation founded in 2005

ABOUT THIS REPORT

Responsible Jewellery Council's (RJC) Progress Report describes the focus areas and initiatives we address that are important to the RJC members and our stakeholders. This is the RJC's seventh progress report. The last report was published in 2017.

SCOPE

This report focuses on 2019 and the first three months of 2020 commitments and practices, except where noted.

BOUNDARIES

We report data related to the RJC calendar year 2019 (January 1, 2019 – December 31, 2019) unless otherwise noted. In some cases, data and information related to our priority areas may include programmes and activities underway or introduced in 2020 year, as noted. In some cases, historical data is described to give context to the reader.

Please direct questions on this report or topics related to our disclosures to communications@responsiblejewellery.com

WE SUPPORT



Since 2009 RJC is a participant of the UN Global Compact. The ten principles in the areas of human rights, labour, the environment and anti-corruption are integrated in the RJC Code of Practices.

The Responsible Jewellery Council is a trading name of the Council for Responsible Jewellery Practices Ltd, which is registered in England and Wales with company number 05449042. © RJC 2019. All rights reserved.

Highlights

It's been an incredible year of growth and change at the RJC – here are some of our highlights

2019 KEY MILESTONES

Launched new Code of Practices standard, changes included expanding material scope to include silver and coloured gemstones

Entered a partnership with the United Nations Global Compact to launch the Sustainable Development Goals (SDGs) Action Platform – to advance impact and innovation on the implementation of the 17 Sustainable Development Goals

Entered partnership with The Plumb Club – which became the first trade association to require its members to join the RJC

Aligned our Code of Practices with the OECD Due Diligence Guidance, making us the first jewellery industry standard (covering the entire supply chain) to set this benchmark.

OVERALL MEMBERSHIP GROWTH



We have grown from 14 founding members to 1256 global members across 71 countries *as of March 2020



888

Code of Practices certified members



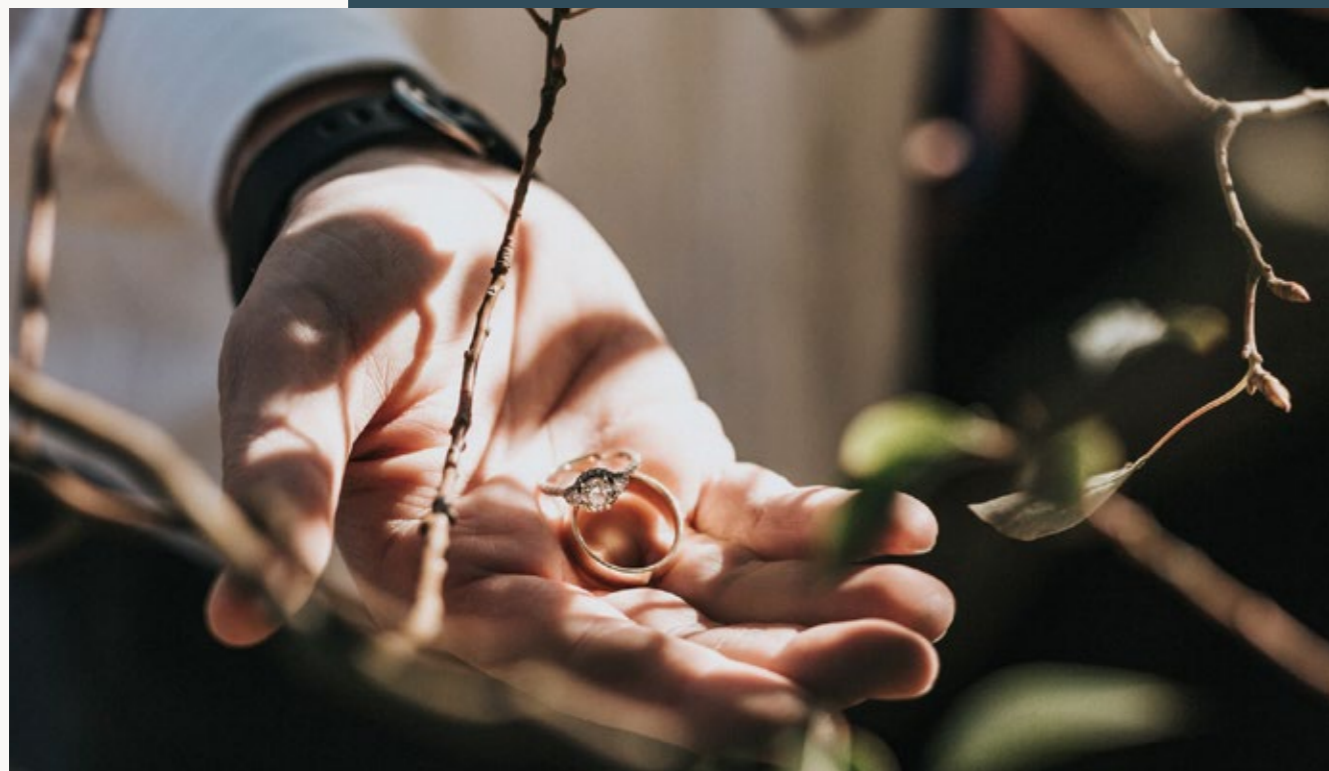
101

Chain of Custody certified entities



RESPONSIBLE
JEWELLERY
COUNCIL

LEAD WITH PURPOSE . . . INSPIRE WITH TRUST
CONTRIBUTE TO DEVELOPMENT



Mission

We strive to be the recognised standards and certification organisation for supply chain integrity and sustainability in the global jewellery and watch industry.

Vision

Our vision is a responsible world-wide supply chain that promotes trust in the global jewellery and watch industry.

Values

These values guide our decisions and actions:

- We are respectful and fair
- We practice honesty, integrity and accountability
- We engage in open collaboration

Message from the Chair and Executive Director

Dear valued stakeholders,

We are proud to present to you the Responsible Jewellery Council's Progress Report. We do so at a time of global crisis and immense change because of the coronavirus, which makes us all reflect on what really matters. It is too soon to say what world we will emerge into, but it is clear that as the RJC, we need to move with urgency in our work to foster collective responsibility across the jewellery industry.

In 2019 we took some important steps that equip us to support our members now and into the future. First, we revised and launched an updated version of our industry standards, the Code of Practices (COP). This was an important milestone for us. Our new Code of Practices is now aligned with the OECD Due Diligence Guidance and the UN Guiding Principles on Business and Human Rights, achieving strategic and practical alignment for our members. We also extended our scope to include silver and coloured stones. This means that the global standard represented by the RJC's COP has even greater reach and influence across the jewellery supply chain, providing consumers with increased confidence in the integrity of the products we all sell. We have worked hard to strengthen our membership experience including undergoing a refreshment of our brand identity.

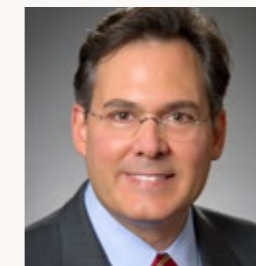
We have also launched an Sustainable Development Goal Action Platform in collaboration with the United Nations Global Compact, and we will take this work forward with the launch of an SDG Taskforce in 2020. We have an important role to play as the voice for the industry on critical social and environmental issues, helping to accelerate industry-wide progress towards the SDGs. It is through transformative partnerships such as with the UNGC that we will achieve lasting change in the jewellery supply chain.

There is more to do. We are continuing to transform the way we work to be more efficient, strengthening our relationship with members and serving them better. Our industry is built on relationships, which are strengthened through the daily interactions among our members, and the communities they reach.

We were founded in 2005 by fourteen organisations with a vision for unifying the jewellery industry's approach to ensuring responsible practices throughout its supply chains. Today, our membership has grown in excess of 1,200 companies who share this vision. We have set the global standard for our sector, covering the entire jewellery supply chain from mine to retail. What was a ground-breaking approach then, remains unique today. We stand up for integrity, throughout our supply chains, in our work, and for our membership. Together, we are helping transform the world's jewellery supply chains to be even more responsible and sustainable. In doing so, we are strengthening consumer confidence in the global jewellery industry, and underpinning its future with greater trust, so people around the world continue to hold jewellery close to their hearts for centuries to come.

As we celebrate our 15th anniversary in 2020, we look forward to building further on these achievements through the collective actions of the RJC members. We would like to extend a very special thank you to our Board Members and our Executive Committee, in particular our Treasurer, Feriel Zerouki (De Beers Group), Secretary, Matthew Kilgariff (Richemont), and Vice-Chair Peter Karakchiev (ALROSA).

We would like to thank the RJC team for their dedication, and hard-work everyday to support our members on their journey.



David Bouffard
Chair



Iris Van der Veken
Executive Director

CHAPTER 1

The RJC at a glance

1.1 WHO WE ARE

The Responsible Jewellery Council (RJC) is the world's leading standard-setting organisation for the jewellery and watch industry. It was founded in 2005 by 14 member organisations, **ABN AMRO**, **BHP Billiton Diamonds**, **Cartier**, **World Jewellery Confederation**, **Diamond Trading Company** (part of De Beers Group), **Diarough**, **Jewelers of America**, **National Association of Goldsmiths (UK)**, **Newmont Mining**, **Rio Tinto**, **Rosy Blue**, **Signet Group**, **Tiffany & Co.**, and **Zale Corporation**.

Jewellery plays a special role in people's lives, carrying personal and emotional significance. We are a member organisation, bringing together companies of all shapes and sizes, from right across the global jewellery supply chain.

What unites us is our shared belief that responsible business is good business, without causing harm to people or the planet. This is a process of continuous improvement. And our belief that this can only be achieved by working together, and in partnership with others.

"Diamonds are symbols of our most precious emotions, so it's vital that the industry operates to standards that are worthy of those emotions. As this report highlights, the RJC has made great progress since its launch fifteen years ago in shaping, communicating and upholding standards throughout the diamond supply chain, and we at De Beers Group are proud to be one of its founding members."



Bruce Cleaver, CEO,
De Beers Group

Our journey so far



1.2 WHAT WE DO

The RJC Code of Practices (COP) is the global standard for the responsible jewellery and watch industry, focusing on business ethics and responsible supply chains. Our COP covers all the primary minerals and metals used in the manufacture of jewellery: gold, silver, platinum group metals, diamonds and coloured gemstones (emeralds, rubies, sapphires). Our robust certification process is independently audited, upholding the highest standards. RJC is a full ISEAL member, committed to the ISEAL Credibility Principles and compliance with ISEAL’s Codes of Good Practice in setting standards, assuring compliance and monitoring impacts.

Supply chains are often complex, multi-tiered and interconnected. We take an integrated approach to responsibility, recognising it as an ongoing journey of transformation. As an organisation, we too must evolve to succeed in the decade ahead.

We are transforming the way we work to be more efficient, strengthening our relationship with members and serving them better.

We are a platform for catalysing change through the supply chains of our members, and provide a forum for sharing perspectives, exchanging ideas and finding solutions to shared challenges. Through the implementation of the COP, we work to ensure that responsibility standards are upheld right across the global jewellery supply chain. Our objective is to work in partnership to ensure our industry’s standards are maintained, and to help create a responsible and sustainable, world-wide jewellery supply chain.

We also have an important role to play as the voice for the industry on its most critical Environmental, Social and Government (ESG) issues, helping to accelerate collective progress towards the Sustainable Development Goals.

“Jewellery is a special product, often representing emotional moments in life. Jewellery must be worthy of the trust implicit in every heart. And so the RJC was created, promising a set of principles for all companies in the industry –big and small –across the world. That objective the RJC has achieved, with the extraordinary and often thankless efforts of hundreds of dedicated people over the past fifteen years. It is an achievement of which we should be immensely proud.”



Dr Mathew Runci,
The RJC Founding
Chairman (2005-2012)

1.3 HOW THE RJC SUPPORTS MEMBERS

Being an RJC member creates many opportunities:

Demonstrates leadership in consumer confidence issues, showcase best practice and gain competitive advantage

Increases confidence of customers that the jewellery they are buying is responsibly produced

Creates connections to a like-minded community, including wholesalers and retailers through stronger commercial relationships facilitated by through certification

Provides access to current information and resources on emerging issues, industry challenges, educational materials and regulatory framework

Supports provenance claims

Manages risk with risk mitigation

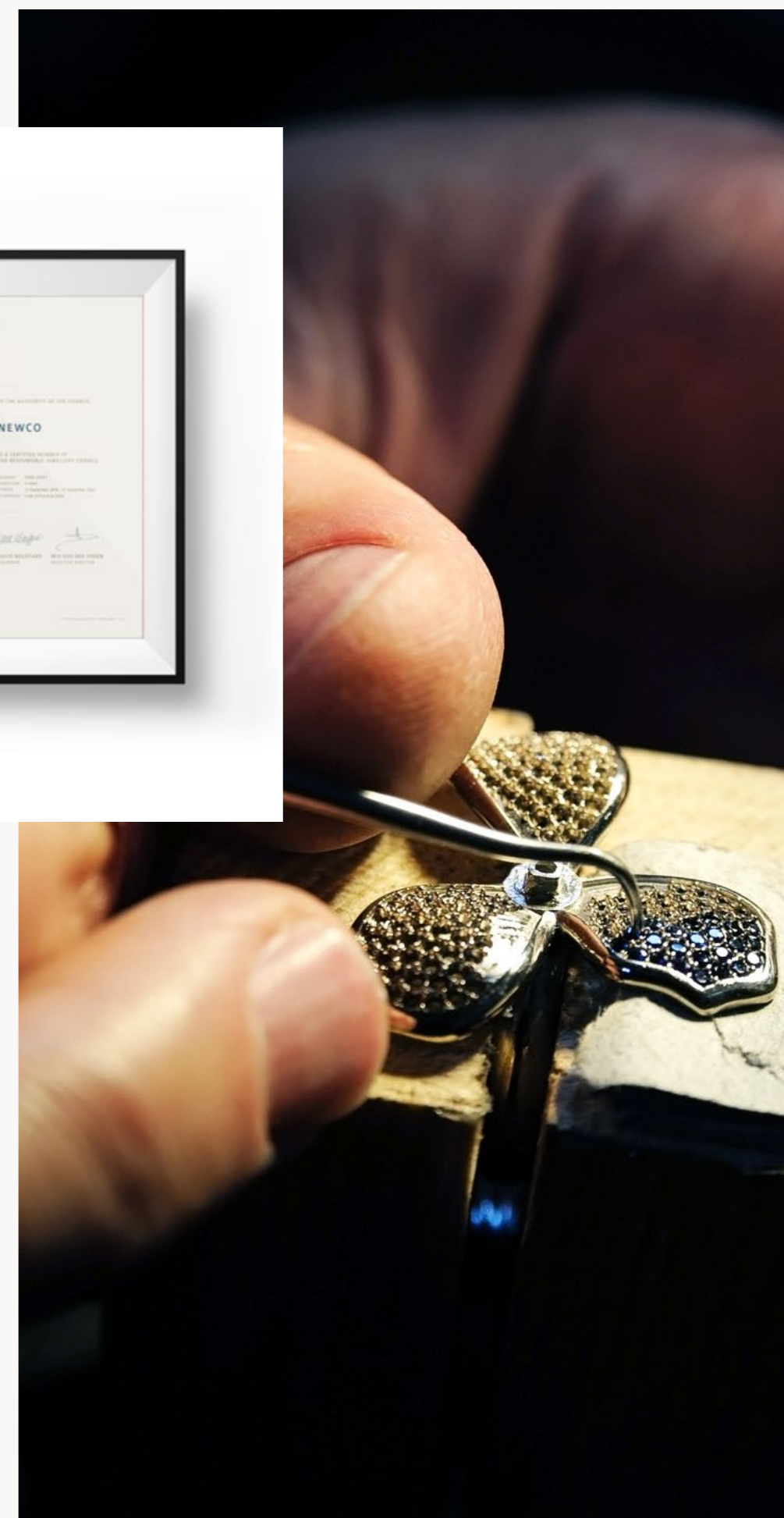
Attracts new employees and help retain talent who are motivated to work for you and are inspired by your company values / commitment to protect their human rights and treat them well

Invites participation in the RJC collaborations. For example, with the United Nations Global Compact

Share knowledge of latest developments in sustainability requirements

Opportunity to be at the forefront of driving change in the jewellery and watch industry.

6 steps to certification



CHAPTER 2

Leading the way through the era of Trust and Resilience

2.1 RESPONDING TO UNPRECEDENTED TIMES

Today, the world is facing an unforeseen crisis – a health crisis from the coronavirus pandemic that has triggered an economic crisis. We know that all our members and the organisations in our wider network are working hard to navigate a situation which is changing daily, in ways that most of us haven't seen in our lifetimes.

Forecasts show that the world will experience a significant economic downturn in 2020, from which recovery will likely require longer than 12 months. This will be a test of industry resilience as the sale of jewellery and watches, is reliant on consumers' discretionary income.

With the current global lockdowns, the primary focus of most across the industry is to manage cash flows and ensure the survival of their respective businesses, alongside the well-being of their people. From mining to retail, the virus represents both a supply chain shock – with disruption as people cannot work – and a demand shock associated with falling income, economic uncertainty, and businesses and families moving into survival mode.

At a time when our industry is under immense pressure, it is vital that standards of responsibility are upheld right across the global jewellery supply chain. We at the Responsible Jewellery Council are doing everything we can to support our members through this critical time and working in partnership with others to find new ways to ensure our industry's standards are maintained.

"RJC is setting objective and controllable standards for corporate commercial and social responsibility. Protecting human rights is essential for our values and fitting for our family business".

Royal Asscher Diamond Company, a family business since 1854 in Amsterdam.



Lita, Mike and Edward Asscher

The RJC has been actively engaging with members on transition measures in these challenging times. We have launched a COVID-19 Members' Engagement campaign, and have regular discussions with auditors to ensure the support and measures we implement to help our members through this period remain credible.

Since COVID-19 was officially announced as a pandemic the RJC team started working remotely to protect all staff – safety of our employees is a priority. The RJC team is diligently maintaining work-streams and projects during the lockdown. The team are applying maximum flexibility and creativity to serve our members even better. We are exploiting all available technology to create an effective and efficient remote working environment. We have ordered protective masks produced by women, from a factory in Macedonia for our employees and their families. We are having more frequent catch ups via virtual meetings and have set up mental wellbeing sessions with a sports performance coach, to keep morale boosted within the team.

Now, more than ever, we are prioritising collaboration, and are consciously engaging with our members to support continuity in their RJC journey despite the disruption caused by the pandemic. We have a dedicated webpage to regularly update our members and stakeholders **which you can view here**.

“I wholeheartedly congratulate the RJC on its 15th anniversary of impactful work on establishing responsible business practices in the global jewellery supply chain. ALROSA strongly believes in the RJC’s mission that promotes sustainability and ESG standards, positively contributing to our industry.

Recent years have brought unprecedented changes to the jewellery market, with COVID-19 pandemic being an existential challenge for many RJC members. Nevertheless, disruptive times only reconfirm our aspiration towards responsibility and operational excellence. Sustainability for our businesses is not a bargaining chip, on the contrary – it’s our long-term investment that helps overcome downturns with pride and dignity, emerge ever stronger and secure a better future together with our employees, business partners and communities.”



Sergey Ivanov, ALROSA
Chief Executive Officer,
Chairman of the
Executive Committee

Looking ahead, we see three major priorities for the industry.

First, like any industry, our industry’s recovery will need the support of bold and timely economic policies from governments around the world to mitigate economic damage and help rebuild confidence in the economy. Governments and business will need to work more closely together to tackle this crisis, and time is of the essence. The RJC is committed to working closely with all governments and trade associations to support the industry’s recovery.

Second, our industry must step up its actions to demonstrate social and environmental responsibility. When we are through the current crisis, our companies will be remembered and judged by the decisions they make now in confronting COVID-19. These choices will also have longer-term implications on individual performance and consumer confidence in the industry. The RJC developed special guidance that includes an assessment on human rights and labour rights to support our members through this difficult period. For more information click [here](#).

Adhering to the Code of Practices gives companies the opportunity to implement stronger management systems resulting in operational efficiency and reduced costs, improved worker productivity, mitigated risk potential, and created revenue-generating opportunities. Against this backdrop, the RJC is launching a Financial Taskforce to explore ways in which members can leverage their RJC status with respect to financial security, business continuity and access to capital.

Third, our industry needs to unite more than ever to focus on consumer confidence and long term sustainability. We believe we have a great opportunity to engage with our consumers in these unprecedented times. Consumer behaviour will evolve through the experience of this epidemic and we, as an industry, will need to adapt fast to understand and exceed consumers expectations, and strengthen their trust.

“The RJC’s work to establish recognized standards and independent certification is vitally important to the global gem and jewelry industry, and to consumers. Today’s consumers have high expectations about the positive economic and social impact of the products they choose. Meeting those expectations and delivering on our promises of sustainable origin, responsible sourcing, transparent supply chains, ethical business practices and integrity requires that we all demonstrate the facts and truth behind our claims. GIA is proud to have been the first gemological laboratory to support the RJC, and to lend our mission-driven research, education, laboratory services and instrumentation to their laudable effort.”



Susan M. Jacques,
President and CEO,
GIA

We should not forget that at the heart of the supply chain are thousands of family businesses, who are key to the long-term sustainability of our industry. We welcome the leadership of David Kellie, CEO of the Diamond Producers Association (DPA). The RJC has joined hands with the DPA and other industry organisations to form the Jewellers Support Network – supporting independent and family-owned jewellery businesses through the **#supportyourlocaljeweller** campaign.



#supportyourlocaljeweller

"In moments of hardship that affect communities and businesses around the world, we need to work together, support each other, and focus on building the common path towards a sustainable recovery. In this context, the Diamond Producers Association joined forces with the Responsible Jewellery Council and many jewelry organisations to form the Jeweler Support Network in the United States and in the United Kingdom to provide assistance to local jewellery stores and retailers, many of which are family-owned for generations and who are particularly vulnerable during this crisis."

Visit jewelersupportnetwork.com in the US and jewelersupportnetwork.com in the UK for more details.



David Kellie, CEO
Diamond Producers
Association

"As a Founding Member of the RJC, Signet believes in the critical importance of responsible sourcing for the jewelry industry, now and in the future. The RJC represents the global standard for our industry, created through the collaboration and commitment of our industry colleagues. At Signet, we require RJC membership by our suppliers, which we believe protects the integrity of the supply chain, the rights and needs of all stakeholders involved, and meets the expectations of our customers."



Virginia C. Drosos,
Signet Jewelers CEO



2.2 HOW THE RJC ENGAGES WITH STAKEHOLDERS TO ADD VALUE

Building enduring strategic partnerships with stakeholders

Stakeholder relations are critical for the growth of our organisation, and we strive to maintain an open, continuous, and transparent dialogue with our members and our wider network of stakeholders.

The RJC is an active participant in various industry associations through which we engage with policy makers to contribute to a better understanding of industry-related challenges. These associations are also important platforms for the RJC to contribute to broader, industry-wide action on sustainable development.

In addition, the Executive Director and members of the Board participate in public forums to discuss our members' strategies and approach to sustainable development. These events provide opportunities for the RJC to represent the industry with a wider group; including business leaders, academics and civil society organisations.

The RJC Membership Engagement Team visits members on a regular basis and joins international trade shows.



International Colored Gemstone Association (ICA) 2019 held in Bangkok

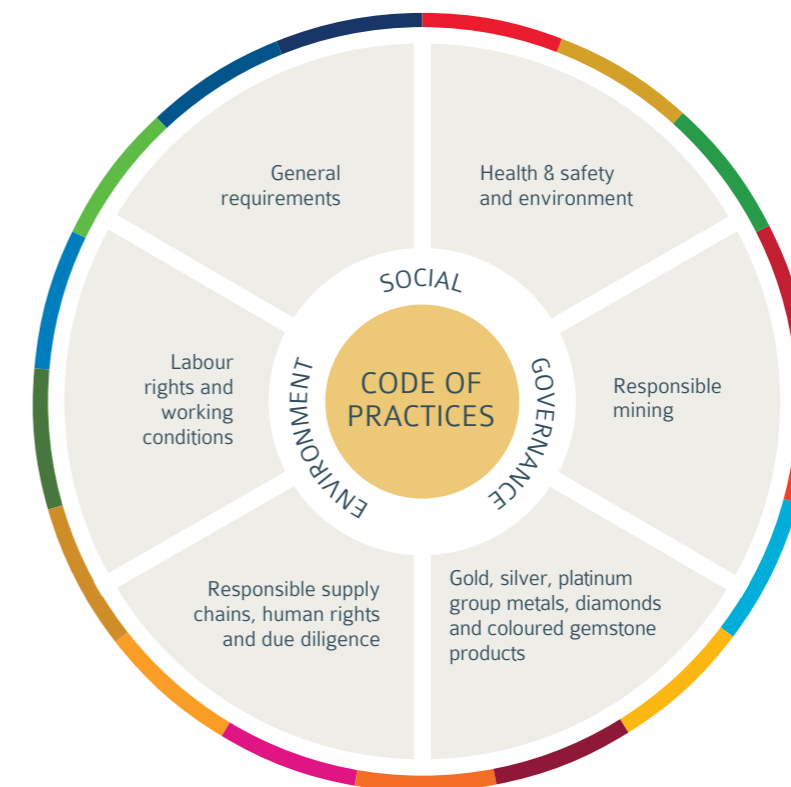


JCK 2019 held in Las Vegas

ENHANCING RESILIENCE AND STAKEHOLDER CONFIDENCE THROUGH THE RJC CODE OF PRACTICES

STAKEHOLDERS

- Employees
- Members
- Trade Associations
- Governments
- Financial Institutions
- Academic Institutions
- NGOs
- Society



Why join RJC's Community of Confidence?

SUSTAINABLE GROWTH

- Leadership agility
- New markets & geographies
- New customer & market share
- Product & services innovation
- Community development
- Long term strategy

CONSUMER CONFIDENCE

- Trust
- Transparency
- Product integrity

PRODUCTIVITY

- Employer retention & talent management
- Operational excellence & efficiency
- Innovation

RISK MANAGEMENT

- Compliance & regulatory risk
- Supply chain risk
- Leadership adaptability
- The RJC Membership Engagement Team visits members on a regular basis and joins international trade shows.

Stakeholders

1. USA

- American Gem Society (AGS)
- American Gem Trade Association (AGTA)
- Diamond Council of America
- Diamond Dealers Club (DDC)
- Diamond Manufacturers & Importers of America (DMIA)
- Diamond Producers Association (DPA)
- Ethical Metalsmiths
- Forevermark USA
- Gemological Institute of America (GIA)
- Gemological Science International (GSI)
- Human Rights Watch
- Indian Diamond & Colored Stone Association (IDCA)
- International Colored Gemstone Association (ICA)
- JCK & Luxury at Reed Exhibitions
- Jewelers Board of Trade (JBT)
- Jewelers for Children (JFC)
- Jewelers of America Inc.
- Jewelers Security Alliance (JSA)
- Jewelers Vigilance Committee (JVC)
- Manufacturing Jewelers & Suppliers of America (MJSA)
- Natural Colored Diamond Association (NCDIA)
- PACT
- Resolve
- The Plumb Club Association Inc.
- United Nations Global Compact (UNGC)
- United States Department of State
- United States Jewelry Council (USJC)
- University of Delaware Minerals, Materials and Society Program
- Womens Jewelry Association (WJA)
- World Diamond Council

2. Canada

- Canadian Jewellers Association
- Diamond Development Initiative
- IMPACT

3. UK

- ISEAL Alliance
- London Bullion Market Association (LBMA)
- London Diamond Bourse
- National Association of Jewellers (NAJ)
- Positive Luxury
- The Gemstones and Jewellery Community Platform
- World Gold Council

4. Belgium

- Antwerp World Diamond Centre (AWDC)
- International Diamond Manufacturers Association (IDMA)
- World Federation of Diamond Bourses

5. Germany

- BV Schmuck & Uhren (German Association of Jewellery, Watches, Clocks & Supplying Industry)

6. France

- European Federation of Jewellery
- Laboratoire Francais de Gemmologie
- Organisation for Economic Co-operation and Development (OECD)
- Union de la Bijouterie et Horlogerie
- Union Francaise de la BJOP

7. Switzerland

- Fondation de la Haute Horlogerie (FHH)

8. Italy

- Confindustria Federorafi (National Federation of Gold Jewellery-Silverware-Jewellery Manufacturers)
- CIBJO – The World Jewellery Confederation

9. Israel

- Israeli Diamond Exchange
- Israeli Diamond Institute

10. UAE

- Dubai Multi Commodities Centre (DMCC)

11. India

- Bharat Diamond Bourse
- Gems & Jewellery Export Promotion Council (GJEPC)
- International Gemological Institute (IGI)
- Jaipur Jewellery Show (JJS)
- Surat Jewellers Manufacturing Association (SJMA)

12. Thailand

- Gem and Jewelry Institute of Thailand (GIT)

13. Hong Kong SAR

- Hong Kong Jewellery & Jade Manufacturers Association
- Platinum Guild International

14. China

- China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters (CCCMC)

Only by building partnerships and working closely with governments, civil society and organisations in and outside the industry, we can make a positive difference.



“The Plumb Clubs’ Vision Statement defines our Association as “a responsible supply side organisation recognized for leadership, adding value, and positively impacting the jewelry industry.” Joining the Responsible Jewelry Council as an Association Member, and requiring all Plumb Club Members to be Certified RJC Members, serves to enhance our commitment to the Jewelry Retailer and the future of our Industry. Through our relationship with the RJC, we will continue to work jointly towards ensuring transparent and responsible business practices throughout the jewelry and watch supply chain.”



Michael Lerche,
Plumb Club President

During 2019 our partnerships and engagement strategy was guided by three key complementary principles: Materiality, our Members First strategy, and a Multi-stakeholder approach. In 2020 we are reviewing and revitalizing our approach to engagement.



Leadership stakeholder session lead by De Beers Group at The Diamond Conference 2019 held in Gaborone



The RJC Code of Practices (COP) workshop 2020 held in Paris – Hosted by UFBJOP



International Coloured Gemstones Association Congress 2019 held in Bangkok



World Diamond Council meeting 2019, hosted by Antwerp World Diamond Centre, held in Antwerp



Russian–African Collaboration in the Diamond Industry session at the Russia-Africa Economic Summit and Economic Forum 2019, held in Sochi



CIBJO seminar on “Does size matter? Responsible sources, sustainability and SMEs.” 2020, held in Vicenza

1. Materiality: Determining what matters most to stakeholders

During 2019 we held a wide range of discussions with stakeholders around the world, to understand better what is important and material to stakeholders within and outside the RJC. Following this, in-depth meetings took place with all employees and members across markets and across the supply chain – including trade associations and NGOs.

In addition, we surveyed all our members in August 2019 to understand their priorities in relation to the 17 Sustainable Development Goals. See page 49 for more information.

To help us validate our priorities relative to business risks and opportunities, we will conduct an internal materiality refresh with the Board and Committees. The outcome of this exercise will be discussed with key stakeholders. The next full materiality assessment is scheduled for Q1 2021.

2. Members First

Understanding our members’ needs allows us to deliver relevant services, retain members, and attract new ones. It also helps us identify opportunities for growth.

Our Members First Strategy – launched in April 2019 – is built on a strong engagement plan. It is focused on service, a promise of operational efficiency, and reduced audit burden while maintaining credibility of the implementation of our standards. Our Certification Department keeps track of membership certification reports and works toward improving our relationships with members, for example, by reducing response times, improving quality of service and expert tailored technical support from the helpdesk. Progress is outlined in a weekly report to the Executive Director.

We continue to meet with members and answer their requests for information about implementing the COP and CoC. We also support their risk management approach, and help them integrate sustainability as core to their strategy. Our ability to provide expert information via our personal support helpdesk, news bulletin, and webinars underscores our role as a leader in standard-setting and a trusted partner to our members along their certification journey. We acknowledge there is more work to do and digital transformation is a priority to support our members in their RJC journey ahead.

3. Multi-stakeholder Approach

We maintain high quality dialogue with our stakeholders to clarify the RJC's position and policies, build the foundation for collaboration, and to understand different viewpoints.

Organisation for Economic Co-operation and Development (OECD)

The OECD is an international organisation that works to build better policies for better lives. Their goal is to shape policies that foster prosperity, equality, opportunity and well-being for all.*

In 2013, the OECD Investment and Development Assistance Committees approved a long-term governance arrangement to enable a dynamic, demand-driven implementation programme for the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the OECD Guidance). The OECD Due Diligence Guidance provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices. **You can find more information here.**

A plenary multi-stakeholder body – the Multi-stakeholder Forum – has been charged with supporting the OECD's minerals due diligence implementation programme. The Forum's "leadership" body is a Multi-stakeholder Steering Group (MSG) which serves as the stakeholder management committee of the Forum in collaboration with the OECD secretariat.

The Multi-stakeholder Steering Group (MSG) for the OECD Responsible Minerals Implementation Programme is made up of about 50 representatives from government, civil society, and private sector. The MSG works closely with the OECD Secretariat, providing guidance and support with respect to operational aspects of the work plan. The MSG holds a conference call with the OECD Secretariat every 6-8 weeks where project updates are discussed, as well as potential avenues for cooperation on new issues in this field. RJC has been an active member of the MSG since its formation in 2013. Before that, RJC was involved in the drafting committee of the Gold Supplement of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals, since the first drafting committee meeting in 2009.

* <http://www.oecd.org/about/>

“The RJC have been a valued member of ISEAL for eight years. During that time they have gone a long way to improve the strength and effectiveness of their systems. The tremendous progress they have made in the development of their systems is a recognition of the hard work the RJC have put into building a credible, transparent and effective standards programme, helping to deliver impacts on the most pressing social and environmental challenges across the sector.”



Karin Kreider,
Executive Director,
ISEAL Alliance

ISEAL

The RJC has been a full member of the ISEAL Alliance since 2012. We have invested significantly to ensure that we meet the ISEAL Codes of Good Practice and act as an advocate for promoting the credibility ISEAL membership brings within the jewellery industry.

ISEAL is the global membership association for credible sustainability standards. Members of ISEAL are committed to Credibility Principles and follow the Codes of Good Practice in setting standards, assuring compliance and monitoring impacts. Members include Forest Stewardship Council (FSC), Fair Trade International, Better Cotton Initiative, Aluminium Stewardship Initiative.

In the past months, the RJC has strengthened its relationship with ISEAL through regular face to face meetings on topics such as assurance and impacts to ensure strict compliance and dedicated engagement going forwards.



In order to ensure that we remain at the forefront of responsibility for our industry and create an effective forum for sharing perspectives, exchanging ideas and finding solutions to shared challenges, we draw on the perspectives of a wide range of stakeholders including:

Employees

It is the people that make the difference at the RJC. Today we have a diversified group of expert consultants and employees coming from various cultural backgrounds, including English, Belgian, Nigerian, Ghanaian, Azerbaijani, Australian, Swiss, American and Indian.

Our core values are what we are about. It is the people that make the difference at the RJC. Diversity and inclusion are our priority.

In 2019, we undertook a comprehensive organisation review. We established a flat agile management structure including a stronger communication and reporting mechanism.

Since the COVID-19 we also launched a wellbeing programme to further support our team in these unprecedented times.

Financial Institutions and Investors

In 2019, the RJC commenced discussions with the Financial Sector. We shared how the implementation of the Code of Practices started the Environmental, Social and Governance (ESG) performance and its impact on the business. These conversations responded to interest in the RJC's role in upholding ESG standards, and will form the basis for future revisions of the Theory of Change and the Action Platform of the SDG Taskforce.



“When I joined the RJC I realised that I am in the right place as I have become a member of a community with strong shared values, where inclusion is at the heart of the organisation.”

Aygun Kazimova, the RJC Certification Manager



Governments

Policies and regulatory changes present opportunities and risks to our members' operations. Working closely with regulators ensures that our standards and services evolve to support our members.

The RJC strengthened its global government relations capabilities in 2019 to engage consistently with policymakers around the world. We were present at the OECD Conference in Paris, and conferences in Sochi Russia, Botswana and at the State Department in Washington DC.

NGOs

We consulted various NGOs in the development of the updated 2019 Code of Practices. On July 11, 2019 the RJC received a letter from a coalition of NGOs collating their feedback on the final version of the Code, published on April 24, 2019. We appreciated their input on the planned implementation of the COP, and their recommendations regarding company certification under the new Code. The RJC responded to their input, and **you can find more information here.**

We welcome the exchange of views and value the feedback and input we received. Working with NGOs informs our transformation, and helps us to continuously improve our work on the standards, and their implementation by our members.

Of particular note in 2019, is our regular engagement with Human Rights Watch. We are taking our commitment to Human Rights to the next level in 2020, hosting a round table to revise the Theory of Change as well as to inform the development of an Impacts model of the RJC.

Raising standards is an ongoing process and we look forward to working with civil society partners to find further ways to advance responsible business practices and drive change across our industry.

The RJC stands with Civil Society in calling for urgent support for vulnerable artisanal and small scale mining communities. **Click here to find out more.**

"The JVC highly values a vibrant working partnership with RJC. The RJC and JVC share a vision of responsibility and ethics. We are aligned, and along with our members, actually bring to reality a functional and sustainable supply chain. Together, we ensure a thriving future for our industry and world."

Tiffany Stevens, CEO & General Counsel, Jewelers Vigilance Committee (JVC)



"As industries involved in the most precious minerals and metals nature has offered us, we must remain keenly aware of this privilege and responsibilities. We must not only congratulate ourselves for the past accomplishments but even more focus on what we could be doing better."

The RJC is more than ever relevant in demonstrating the impact of ethical practices."



Stephane Fischler, Treasurer, International Diamond Manufacturers Association (IDMA)

"Diamonds are the bearers of their beholders' hopes, dreams and enduring love. For that very reason, we expect diamonds to be responsibly sourced and manufactured. And today, more than ever, it is our collective responsibility to ensure that they directly benefit producing countries. The World Diamond Council was created on that very principle, supporting the Kimberley Process with the System of Warranties. The Responsible Jewellery Council has built upon these foundations, developing sustainable standards necessary for all parts of the industry, achieving a new milestone by aligning itself to the OECD Minerals Guidance. This report is testament to the RJC's remarkable progress over fifteen years."



Elodie Daguzan, Executive Director, World Diamond Council



Associations

Trade associations have always been key to the RJC's work. Representatives and experts from trade associations have provided us in-depth information and insight that improves our understanding of industry challenges on the ground and in supply chain configuration. They often suggest initiatives that align the RJC with members' needs in local markets and they serve as a voice for many small businesses.

Going forward, we see trade associations playing an even more critical role: they can promote best practices, share knowledge platforms, and act through their membership to progress action on the SDGs and 2030 agenda. They also offer a platform for the RJC to raise awareness among their members: the AWDC in 2019 and the UFBJOP in 2020 both hosted workshops on the revised COP.

Academic Institutions

Until recently, the RJC had limited interaction with educational institutions and academia. We are now prioritising the development of a Sustainability Academic Programme in the run up to 2030. We will develop the programme through partnerships with academic institutions to help develop solutions to shared global challenges in the jewellery industry. RJC's Executive Director participated in a mentor-ship programme in collaboration with the local network of the United Nations Global Compact UK on SDG Innovation, mentoring three individuals.

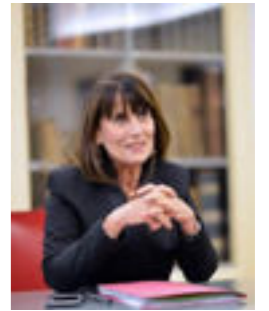
Media

We respond to media enquiries to ensure transparency and provide information on our activities and membership. As a standard-setting organisation, we build on strong exposure through our members' channels. Our media engagement also connects us with the trade and our wider stakeholder audience.

"Since 2009, Union Française de la Bijouterie, Joaillerie, Orfèvrerie, des Pierres et des Perles (UFBJOP) is a RJC member.

"For many years our leading French organisation has supported and promoted the ethical initiatives as we strongly believe that all businesses in the Jewellery industry should bring a clear answer to the need of transparency and behave with responsibility towards their social and environmental ecosystem.

"In this purpose, as Executive President of UFBJOP, I encouraged our organisation's members to be involved with the RJC's Code of Practices. France, as the birthplace of Jewellery, hosts many talented workshops and international brands representing the high know-how of the Jewellery industry around the world. As "Fleuron de la Joaillerie", they have a far-reaching impact and must prove that their practices are undoubtedly virtuous. Today, the French members represent 10% of the total RJC members."



Bernadette Pinet-Cuoq,
Executive President
of UFBJOP

"We have seen a further strengthening of the collaborative relationship between CIBJO and RJC, both bilaterally and in respect to the united position we take in the jewellery industry. Our collective goal is to provide a comprehensive framework for responsible practices, ensuring the integrity and reputation of our products and our people, and protecting the wellbeing of all our stakeholders."



Gaetano Cavalieri,
President of
World Jewellery
Confederation (CIBJO)

CHAPTER 3

Looking to the Future

3.1 OUR APPROACH

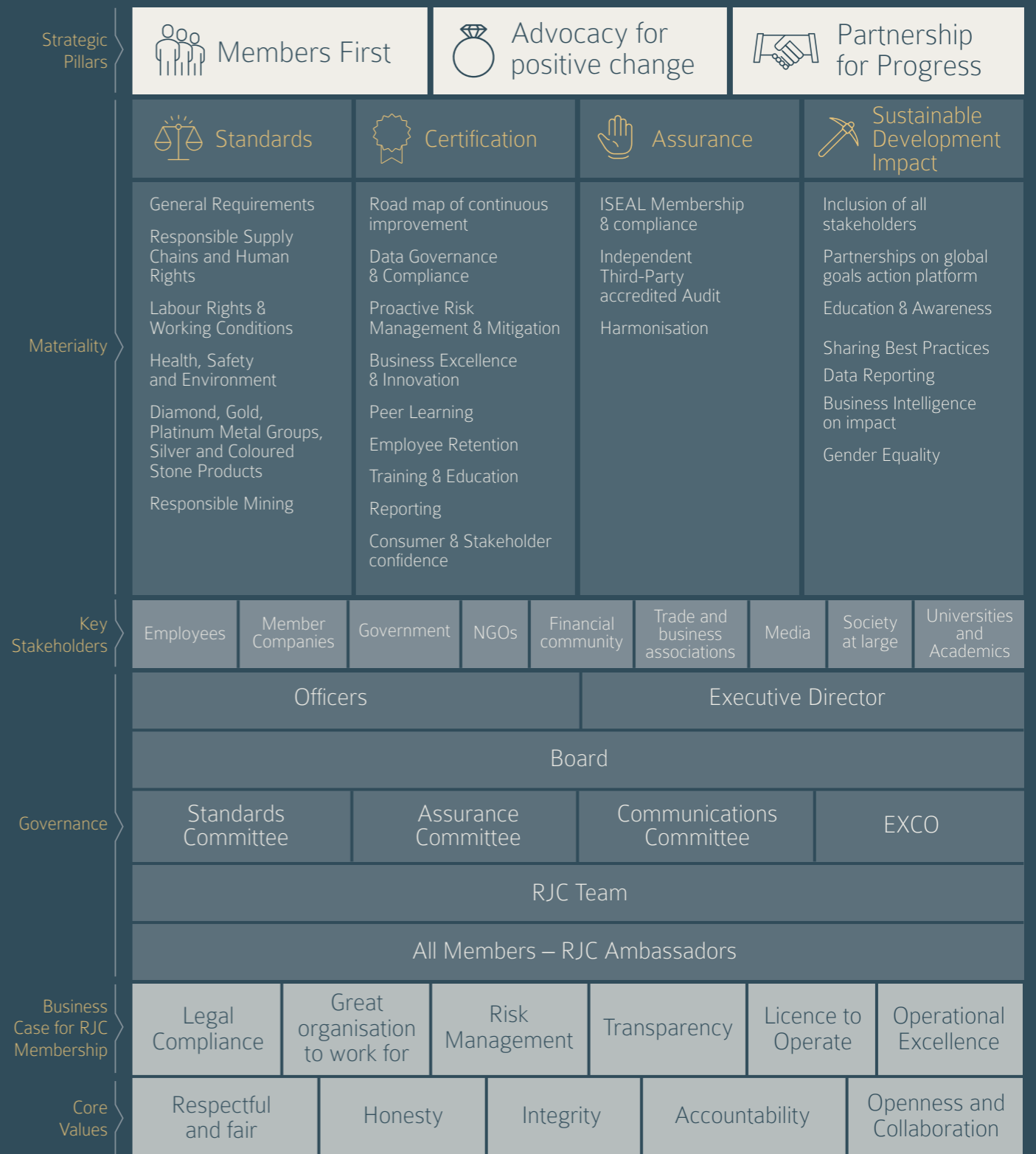
In 2020 we aim to continue to create value for our organisation, our members and society. Our priorities fall into the following three strategic pillars: members first; advocating for positive change; and building transformative partnerships.

“As a proud co-founder of the RJC since 2005, we are very happy to count on the RJC’s support in continuously improving practices across the entire jewellery industry. We are conscious there is still a lot to be done and we trust that with all stakeholders’ collaboration, the RJC has what it takes to address our common challenges.”




Cyrille Vigneron,
President and CEO of
Cartier International

Our vision is a responsible world-wide supply chain that promotes trust in the global jewellery and watch industry



Responsible Jewellery Council Strategic Pillars

 Members First	 Advocacy for positive change	 Partnership for Progress
<p>We are transforming the way we work to be more efficient, strengthening our relationship with members and serving them better.</p> <p>Increasing value for members:</p> <ul style="list-style-type: none"> • Attract and retain • Support members through practical training and simplified toolkits • Reduce audit burden and audit cost while maintaining credibility of the implementation of standards • Support members through Environmental, Social and Governance (ESG) value proposition • Digital transformation. 	<p>We are the world's leading standard-setting organisation for the jewellery and watch industry.</p> <p>We are the voice for the industry on the critical environmental, social and governance topics.</p> <p>We take an integrated approach to sustainability and encourage our members towards continuous transformation for a better world.</p>	<p>We are committed to lead industry-wide progress through our members towards the 2030 agenda – through data validation and data measurement according to SDG indicators.</p> <p>We have made partnerships a central component of our engagement plan.</p> <p>We believe our partnership strategy enables a multiplier effect to efficiency, impact analysis, business growth and improved membership experience in tough economic times.</p>

1. Members First

We want to encourage more companies to become members. At the same time, we want to attract more diverse member companies from across the industry, knowing that this diversity will only strengthen the implementation of the Code of Practices further.

Our team works hard every day to enhance the quality of our membership service and to maintain standards that catalyse positive impact in the supply chain.

Looking beyond 2020, we will continue to simplify, digitise, and harmonise processes to make the certification process smoother for members. We will focus on training and education programmes, additional tailored helpdesk support focused on OECD Due Diligence and Human Rights to manage internal risk assessments, and creating community action platforms to support our members.

2. Advocating for Positive Change

We have an important role to play as the voice for the industry on the critical environmental, social and governance topics, helping to accelerate industry-wide progress towards the Sustainable Development Goals. Through our membership, we are in a unique position to achieve positive social change.

We are committed to proactively engaging with key stakeholders to shape the sustainability agenda for the industry and to speak out on industry topics that matter most to our collective future. We also work to keep our members and wider network informed of the latest evolution of standards and expectations. The alignment of the newly launched Code of Practices to the OECD Due Diligence framework and the UN Guiding Principles of Business and Human rights reflects this commitment.

“As a responsible business, with integrity as its core value, Sustainable sourcing has been the major focus for Monica Vinader from the start: considering the quality of our natural materials, understanding where they come from and who is making them. The very close relationship with our partner suppliers has enabled us to drive transparency, influence change and raise the bar. The RJC has been a key element supporting and enabling our journey towards responsible manufacturing and consumption.”



Monica Vinader,
Co-founder and CEO

The importance of KP reform was echoed by **David Bouffard**, Chairman of the Responsible Jewellery Council:

“There is nothing more important than ensuring consumer confidence in the diamond jewelry we all sell. We need a KP definition that meets and exceeds consumer expectations, not one that only meets minimum requirements. We therefore applaud and fully support the leadership of the WDC for driving reform efforts on behalf of industry. You can count on the RJC to be right at your side.”



3. Partnerships for progress

Supply chains are often complex, multi-tiered and interconnected. It is only by working in partnership with others that we can ensure our industry’s standards are maintained.

We believe the core of good partnerships lies in their ability to bring together diverse resources and partners. In doing so, we can achieve more together: more improvements to the livelihoods of people, increased transparency, and greater industry sustainability.

In 2019, we launched the first of its kind partnership with the United Nations Global Compact (UNGC). Together, we are working to bring more companies in our sector along the journey to contribute to the SDGs and the 2030 Agenda. Education is mission critical in achieving this, and we are committed to collaborating with the UNGC, to raise awareness on how to progress towards the SDGs.

To support this partnership, we are reviewing our Theory of Change and launching an SDG Taskforce in 2020.

- Combining diverse experts across the industry, resources, thinking, approaches to Innovation, creating new, more effective approaches to reporting on progress of the implementation of the Code of Practices, technologies, services and/or products with the greater impact they will deliver.
- Using and combining the diversity of partners’ knowledge, ideas, experience and resources to develop new ways of tackling complex challenges in the multi-tier long supply chains.
- Building a platform to report on progress through the implementation of the Code of Practices.

The RJC Statement in Support of Kimberley Process Reform, November 14, 2019



The strengthening of the Kimberley Process definition of “conflict diamonds” is critical, and we urge all stakeholders to support the proposals being put forth by the World Diamond Council (WDC).

“This is our call to action. Trust and transparency are the new equity, and we encourage everyone to leverage the open-source the RJC Code of Practices, (www.responsiblejewellery.com/files/RJC-COP-April-2019.pdf) The RJC member or not, in order to protect your business and its role in the global supply chain,” said Iris Van der Veken, Executive Director of the Responsible Jewellery Council.

“The RJC provides a clear set of standards that are verified through a third-party, independent certification process. The Butterfly Mark certification partners with many other accreditations like the RJC to verify the transparency of brands across the luxury industry, ensuring we meet our promise of making a positive impact on the world. We are thrilled to be working with RJC, their style of leadership is increasingly what we need in today’s world.”



Diana Verde Nieto
Co-Founder & CEO
Positive Luxury

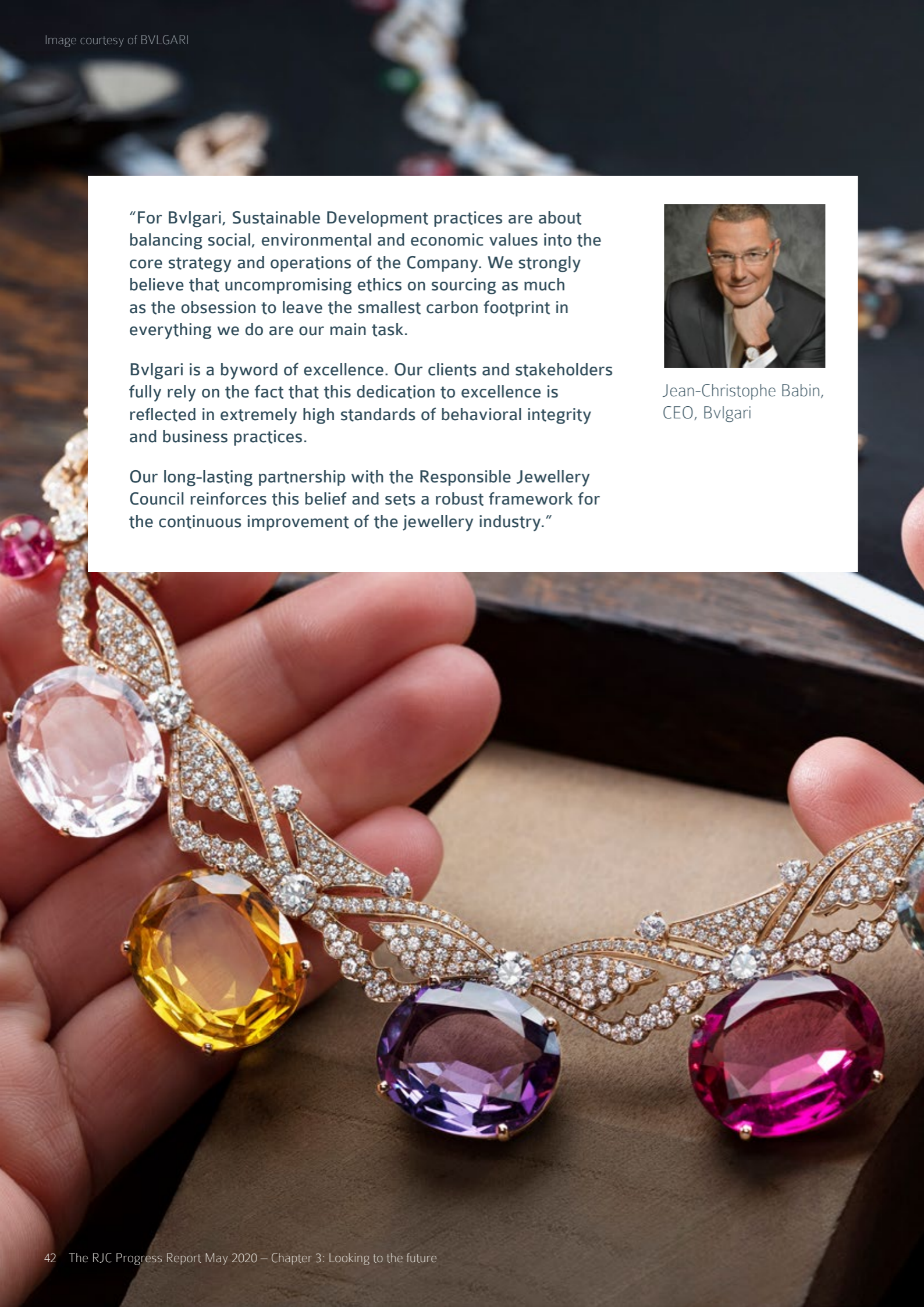
“For Bvlgari, Sustainable Development practices are about balancing social, environmental and economic values into the core strategy and operations of the Company. We strongly believe that uncompromising ethics on sourcing as much as the obsession to leave the smallest carbon footprint in everything we do are our main task.

Bvlgari is a byword of excellence. Our clients and stakeholders fully rely on the fact that this dedication to excellence is reflected in extremely high standards of behavioral integrity and business practices.

Our long-lasting partnership with the Responsible Jewellery Council reinforces this belief and sets a robust framework for the continuous improvement of the jewellery industry.”



Jean-Christophe Babin,
CEO, Bvlgari



3.2 CORPORATE GOVERNANCE

Governance

The Memorandum of Association and the Articles of Association are the founding documents of the Council. The RJC seeks to ensure transparent, representative and appropriate governance for its entire membership.

Membership

Membership is divided into **Commercial Members** and **Association Members**.

- Commercial membership is open to organisations that are actively involved for commercial reasons in the industry. Commercial members are divided into member forums each representing a particular stage or activity within the jewellery and watch supply chain.
- Association membership is open to any trade association representing persons actively involved for commercial reasons in the industry.

Supporter status is open at the discretion of the Board. A supporter is an organisation that is not part of the jewellery supply chain from mine to retail, but which seeks to support the RJC’s work through financial and/or in-kind support.

Stakeholder status is open, at the discretion of the Board, to governmental and non-governmental organisations and other interested persons that wish to enter into dialogue with the Council and to assist the Council in attaining its objectives.



2019 Board meeting held at ALROSA headquarters in Moscow.



2019 Annual General Meeting held in London

Board of Directors

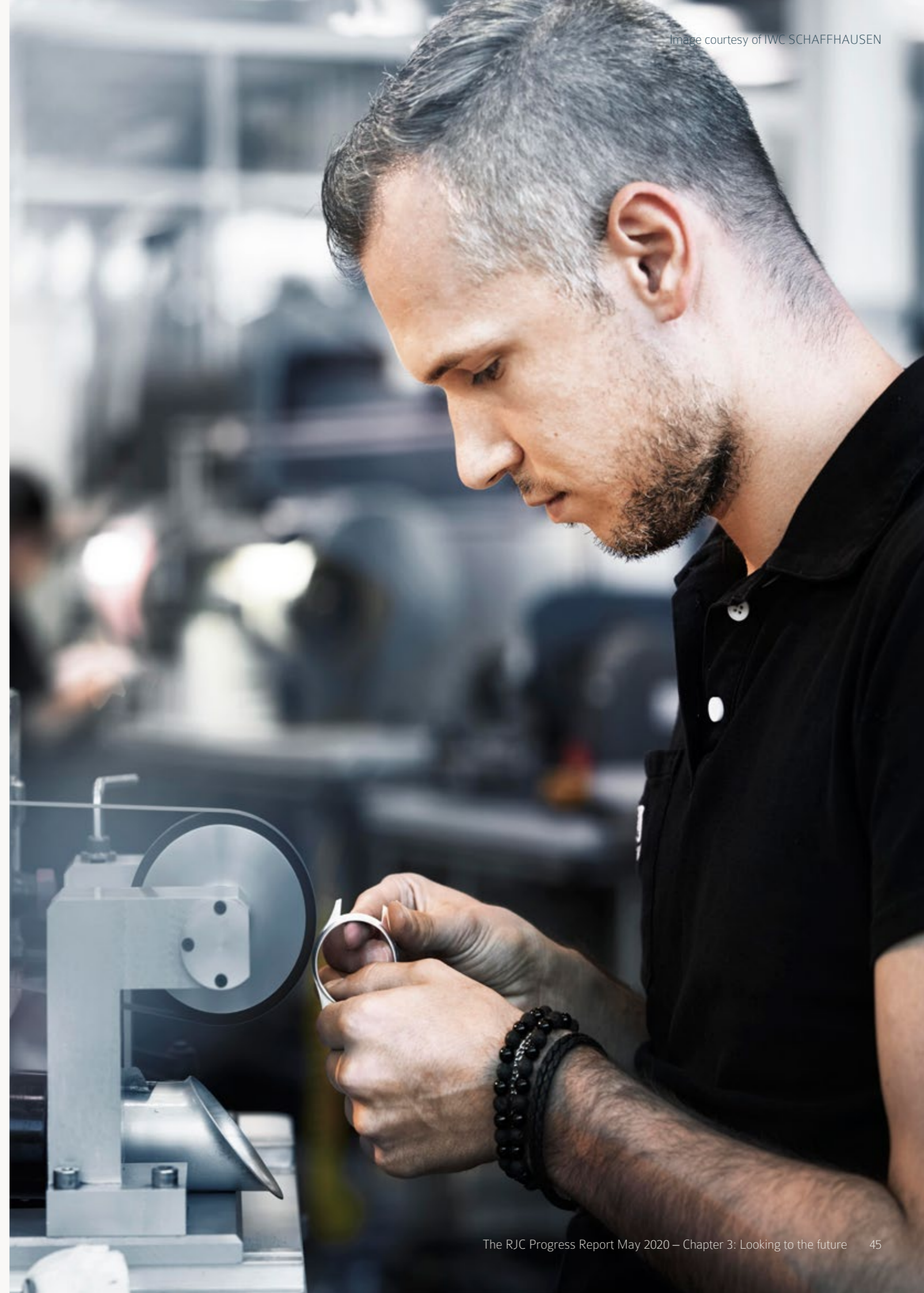
The overall management of the Council is entrusted to the Board of the Council, which is made up of the directors. In accordance with the Articles, the Board is entrusted with the ultimate responsibility for the overall management of the Council, however the general management and supervision of the Council has been delegated to the Executive Committee. The Board appoints the Executive Director, and determines the Executive Director's powers, duties and responsibilities.

Directors are appointed by the members of the Council, or elected by member forums, or appointed by the Board as additional directors. Directors need not be members of the Council.

Officers & Executive Director

The officers of the Council consist of the chair, vice chair, honorary treasurer and honorary secretary.

The officers are elected every three years by the Council at the annual general meeting by a simple majority decided by secret ballot. The Executive Director reports to the Board through the Executive Committee.



Committees

The Board may establish committees of the Board to assist in conducting the business of the Council and may delegate such powers to committees as it may decide. Accordingly, the Board approves the terms of reference for all committees of the Council. There are currently four committees of the Council: Executive, Assurance, Communications and Standards.

The Standards Committee reviews and makes recommendations on the design, implementation and continuous improvement of RJC standards and monitoring and evaluation (M&E) system, the expansion of RJC standards to other jewellery products and forms of assurance and provides policy advice on the consultation and engagement of stakeholders during standards development activities.

The Assurance Committee assists in the development of policies and procedures relating to the certification of members and accreditation of third-party audit firms. This includes: overseeing the framework for accrediting auditors and quality control procedures for auditors; providing guidance on policies, processes and procedures relating to certification of members; and overseeing the RJC's compliance to the ISEAL Assurance Code.

The Communications Committee provides advice and guidance on communications strategies and engagement with stakeholders; monitors public affairs issues and media coverage of interest to the RJC; reviews and recommends to the Executive Committee external communications plans and communications materials and public reports of the RJC; provides guidance on the development and protection of the RJC's brand; and rules for use of the logo and associated intellectual property.

Complaints

A comprehensive process relating to the examination of complaints concerning the behaviour of members and/or auditor firm has been instituted and details are available on the RJC website at: www.responsiblejewellery.com/contact-us/rjc-complaints-mechanism/

“The RJC Code of Practices and Chain of Custody Standards are a testament to cross-sector collaboration, teamwork, and technical insight by many dedicated people. This report demonstrates the importance of responsible and sustainable practices for the global jewellery supply chain.”

Ainsley Butler & Purvi Shah, Joint Chairs,
The RJC Standards Committee



“I have the privilege of being associated with the RJC since its founding in 2005 and am very proud to continue my connection. The RJC is a critical organisation for the jewellery industry, providing robust, comprehensive and independently assured standards. The RJC is more important today than ever before. This report showcases just how far the RJC has progressed – fulfilling the mandate established by its founders.”

Jon Phillips, Chair, The RJC Assurance Committee



“The RJC was created by and for the global jewellery industry. This report celebrates a quite astonishing collaboration by dedicated people from industry and civil society, over fifteen years, who share a common perspective.”

Mark Hanna & Isabelle Poly, Joint Chairs,
The RJC Communications Committee



3.3 ABOUT THE SUSTAINABLE DEVELOPMENT GOALS

In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all – laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of “Agenda 2030” are the 17 Sustainable Development Goals (SDGs) which clearly define the world we want – applying to all nations and leaving no one behind.

The new global Sustainable Development Goals result from a process that has been more inclusive than ever, with Governments involving business, civil society and citizens from the outset. Fulfilling these ambitions will take an unprecedented effort by all sectors in society – and business has to play a very important role in the process.

For the first time, the global Sustainable Development Goals (SDGs)¹ recognise the key role of business and the finance community in achieving these ambitious targets, which aim to alleviate poverty, advance equality and protect the environment.

No matter how large or small, and regardless of their industry, all companies can contribute to the SDGs. While the scale and scope of the global goals is unprecedented, the fundamental ways that business can contribute remain unchanged.

The SDGs can only be realized with strong global partnerships and cooperation. Coordinating efforts on building positive impact and improving awareness on the 2030 agenda by sharing knowledge to businesses across the value chain from mining to retail in the jewellery industry is mission critical.

The COVID-19 crisis has taught us business cannot thrive in societies that fail. Over the next 10 years, with these new goals that universally apply to all, the Responsible Jewellery Council is committed to be the catalyst of that transformation through the implementation of the Code of Practices and reporting on progress on the SDGs.

1. www.sustainabledevelopment.un.org/sdgs

How the implementation of the Code of Practices is linked with the SDGs

CODE OF PRACTICES PROVISIONS	SDGs
 GENERAL REQUIREMENTS	 Responsible consumption & production  Peace, justice & strong institutions
 RESPONSIBLE SUPPLY CHAINS, HUMAN RIGHTS & DUE DILIGENCE	 No poverty  Zero hunger  Gender equality  Industry, innovation & infrastructure  Reduced inequalities  Sustainable cities & communities  Partnerships for the goals
 LABOUR RIGHTS & WORKING CONDITIONS	 No poverty  Zero hunger  Quality education  Gender equality  Decent work & economic growth  Reduced inequalities
 HEALTH, SAFETY & ENVIRONMENT	 Good health & wellbeing  Clean water & sanitation  Affordable & clean energy  Climate Action
 GOLD, SILVER, PGM, DIAMOND & COLOURED GEMSTONE PRODUCTS	 Peace, justice & strong institutions
 RESPONSIBLE SUPPLY CHAINS, HUMAN RIGHTS & DUE DILIGENCE	 Clean water & sanitation  Affordable & clean energy  Industry, innovation & infrastructure  Sustainable cities & communities  Responsible consumption & production  Life on land  Partnerships for the goals  Life below water

Members of the RJC can review their sustainability strategy through the lens of the 17 SDGs, and assess which SDGs are most relevant/material to their operations. Implementation of the Code of Practices supports members in their journey to 2030.

Transforming business for the future – a process of continuous improvement

In August 2019 over 200 RJC members gave feedback on the Sustainable Development Goals Survey.

Contributing to the SDGs is intertwined with adherence to the 42 provisions in the RJC’s COP, with 70% of members agreeing that the RJC certification has contributed to the actions taken by their company to advance the SDGs. For members, it’s a journey of continuous improvement.

More than 70% of members are already taking several different actions to advance SDGs in their business, specifically:

40% are developing products/services that contribute to the SDGs

35% are aligning their core business strategy with the SDGs

32% are designing business models that contribute to the SDGs

28% are collaborating with industry on the SDGs

Members noted the following top 5 SDGs which they are acting on, and having a positive impact:



“The RJC is so inclusive of the whole jewellery and watch industry, which is the essence of its success. I am really honoured to be a part of this RJC journey.”

Debbie Azar, President of Gemological Science International



The SDG member survey has highlighted the need to support members in managing impact assessments (37%) and employee training and communication programmes on the SDGs (34%). The role of the RJC is to give our members the tools and guidance to advance the ambitions of the 2030 agenda. An SDG Roadshow for SMEs is in development and will be launched in August 2020 – with a focus on human rights and climate.

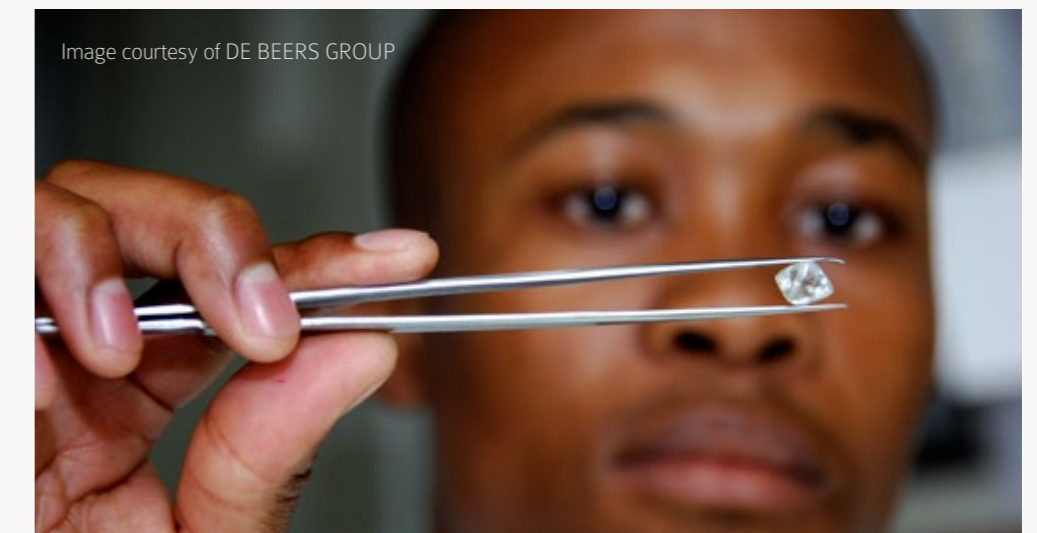
Establishment of an SDGs Taskforce

At the RJC Board Meeting on December 12th 2019 it was agreed to establish an SDG Taskforce for the RJC.

Board Members reaffirmed the importance of a clear role for integrating the SDG framework in its governance structure, and aligning the Taskforce’s activities with the Board’s Strategic Direction. The Taskforce will be Co-Chaired by two Business Member companies.

The members of the SDG Taskforce will represent a multi-stakeholder platform and will reflect the jewellery and watch value chain.

The members of the SDG Taskforce should commit to voluntarily reporting on how they are progressing implementation of the SDGs.



Objectives of the SDG Taskforce

To serve as an action platform for (i) coordination of efforts by various stakeholders for achievement of targets of SDGs related to the implementation of the Code of Practices in the jewellery and watch industry; (ii) input into the RJC Theory of Change; and (iii) serve as a guide/framework for the wider watch and jewellery, gemstones and precious metals industries to implement and report on the SDGs.

The SDG Taskforce will:

- establish an action SDG Action Platform
- launch a global library of best practices on the SDGs implementation
- provide an action platform of international organisations that can join the programme as partners
- build a reporting framework of ESG indicators to support the RJC members to measure progress and voluntarily report on their contributions to the SDGs while implementing the COP
- function as a think-tank for a new collaborative project on SDG implementation
- report regularly about the progress made through the RJC Progress Report.

“We are pleased that through its Code of Practices, the RJC has made a strong commitment to implement the Ten Principles of the UN Global Compact and the Sustainable Development Goals. Together, they provide a roadmap for companies from all industries to fulfill their potential as responsible and sustainable corporate citizens. The 2030 agenda for sustainable development can only be realized with strong global partnerships and cooperation. Driving SDG impact in the jewellery industry—by sharing knowledge across the value chain from mining to retail—is mission critical”.



Lila Karbassi,
Chief of Programmes,
United Nations Global
Compact



CHAPTER 4

Members First

We thank our members for their ongoing commitment towards building responsible business practices.

We believe in a partnership model – no one can do this alone, and no aspect of responsibility can be viewed in isolation.

This is a journey of continuous improvement and it requires collaboration across various segments of the supply chain.

This chapter shares background on the evolution of the RJC.

“As a founding member Rosy Blue is very proud to see the evolution made in the RJC Code of Practices standard. We applaud the required due diligence for all members -an upgrade in an even more mature framework. This will definitely enhance consumer confidence in our industry.”



Raj Mehta, Director of Rosy Blue NV

MEMBERSHIP SNAPSHOT 2019

Total number of members at Year End (YE) 2019:

1230



Membership growth rate for 2019

1213

Commercial members

17

Trade association members

+214

Members joining in 2019

-121

Members resignation in 2019

The RJC commercial members per forum YE 2019:

11

Producers

73

Precious metals refiners, hedgers, traders

379

Precious stone cutters, polishers, traders

666

Jewellery & watch manufacturer, wholesalers

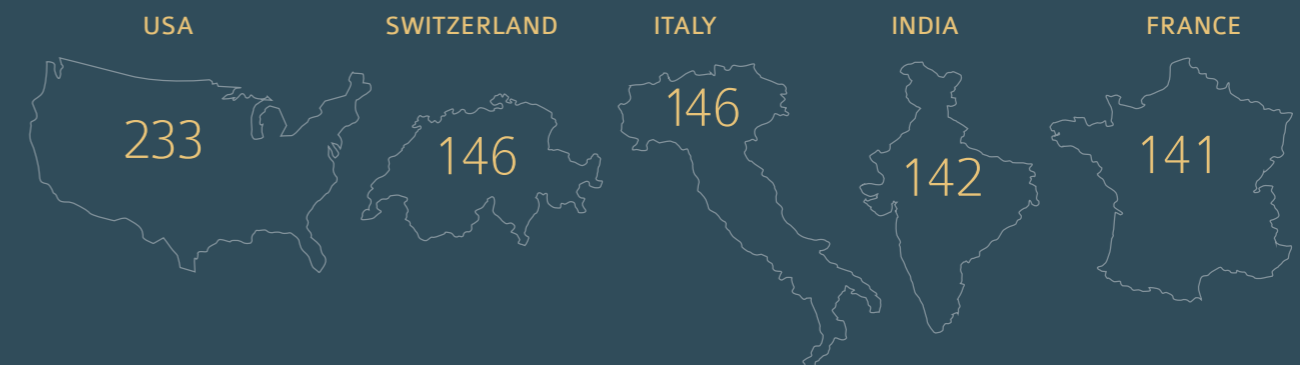
69

Jewellery & watch retailers

15

Service industries

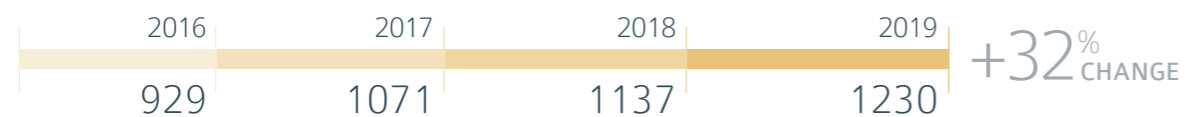
Top 5 countries for Member HQs, representing 65% of all members HQs:



4.1 OVERVIEW OF MEMBERSHIP: 2017–2019

The RJC membership has grown by 32% over the past 3 years, with the largest growth in the middle of the supply chain — the manufacturers and wholesalers (44%), and precious stone traders, cutters and polishers (22%). Manufacturers and wholesalers represent around 50% of new members joining annually.

Number of the RJC members at YE:



Geographically, member HQs span 36 countries in 2019, with 65% of all member HQs concentrated in five key countries: USA, Switzerland, Italy, India and France, reflecting key geographies in the global jewellery and watch supply chain. Increasingly, downstream companies such as retailers and luxury brands are requiring the RJC COP certification of their suppliers and their manufacturing contractors as part of their responsible sourcing strategies and management approach. Given the concentration of highly specialised and skilled jewellery and watch component workshops in Europe, and in particular Italy, we expect this trend to continue.

When renewing membership (independent member research undertaken in 2018), the main driver is to demonstrate responsible business practices (75%), followed by protecting business reputation (61%).

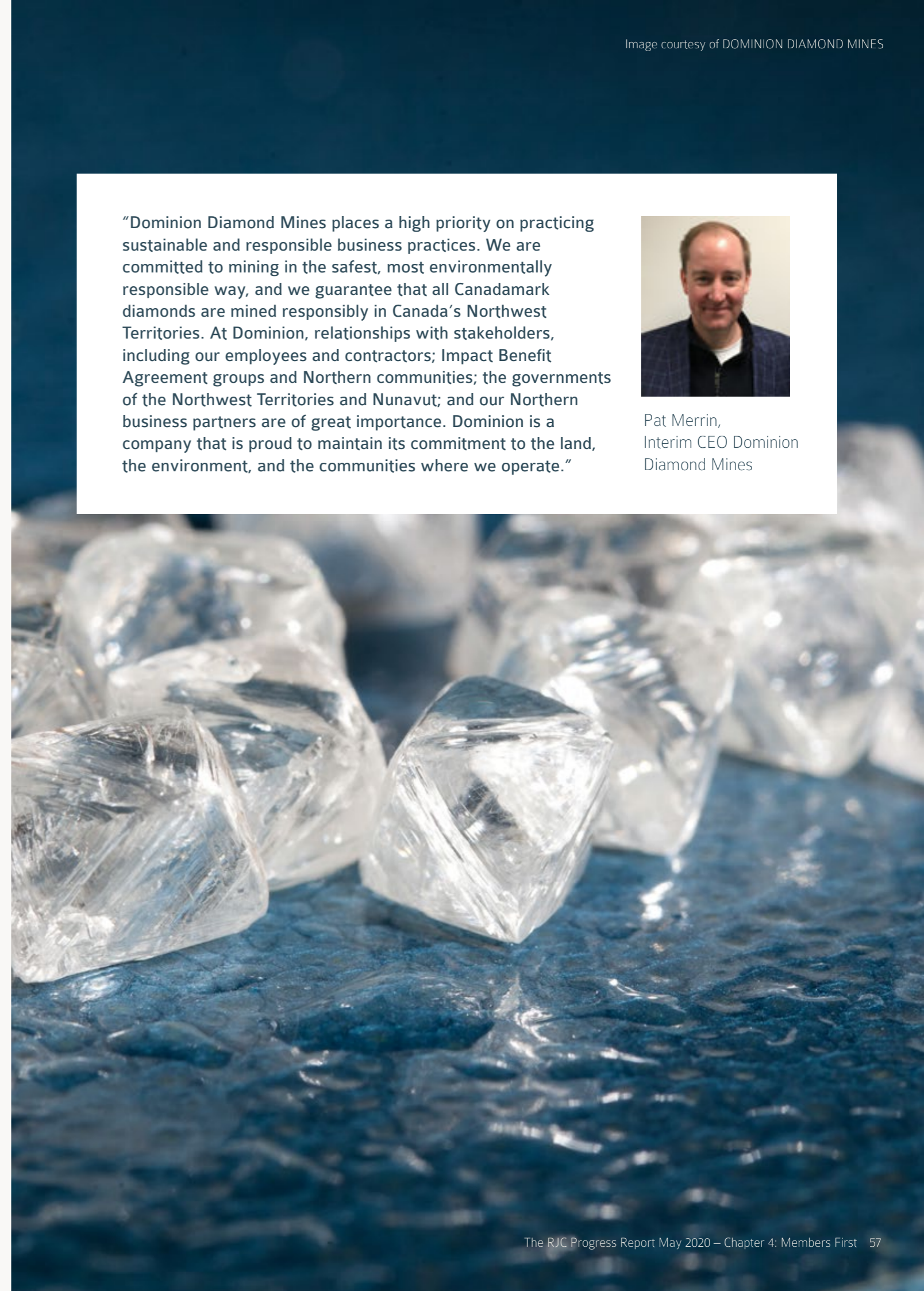
Membership growth rate:



“Dominion Diamond Mines places a high priority on practicing sustainable and responsible business practices. We are committed to mining in the safest, most environmentally responsible way, and we guarantee that all Canadamark diamonds are mined responsibly in Canada’s Northwest Territories. At Dominion, relationships with stakeholders, including our employees and contractors; Impact Benefit Agreement groups and Northern communities; the governments of the Northwest Territories and Nunavut; and our Northern business partners are of great importance. Dominion is a company that is proud to maintain its commitment to the land, the environment, and the communities where we operate.”



Pat Merrin,
Interim CEO Dominion
Diamond Mines

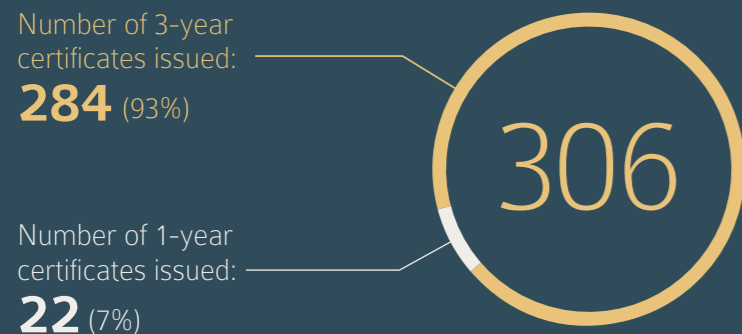


COP CERTIFICATION SNAPSHOT 2019

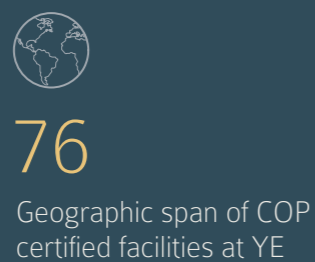
Total number of COP certificates issued at YE since 2010:



Number of COP certificates issued in 2019:



17 Number of certificates issued against the new 2019 COP



The RJC has started to collect gender disaggregated data from October 2019 and has data for 5% of certified members, and will be able to report on gender split in future reports.

Maturity of member COP certification at YE:



For the first time in the RJC history the proportion of re-certifications exceeds that of first certifications, demonstrating members commitment to ongoing continuous improvement and certification.

Number of COP certified members at YE



4.2 OVERVIEW OF COP CERTIFICATION: 2017–2019

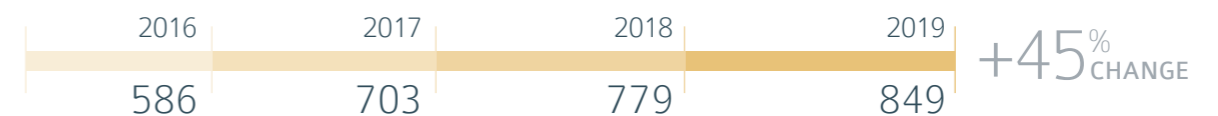
Since the launch of the COP in 2009, the RJC has issued 1,826 certificates to members, with the number of certificates issued almost doubling since the start of 2017.

Number of COP certificates issued at YE:



The number of COP certified members at year end has grown steadily over the past 3 years, with the fastest growth of 20% seen in 2017. The jewellery and watch manufacturer/wholesaler forum has dominated this growth, with a 70% increase in certified members between 2017-2019.

Number of COP certified members at YE:



“I joined the RJC in 2006 to ensure that small businesses were not left behind. I actually found the process way more useful than I ever imagined and it helped me and my business to ‘grow up’. It showed me some things I really needed like procedures and safety guidelines. My little team all worked together to get through it, which helped to empower them too. The RJC team were always there to advise and support along the way.”



Harriet Kelsall, Founder and Chair of Harriet Kelsall Jewellery Design Ltd

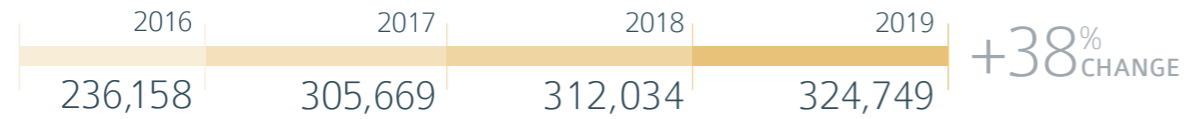
“Our accreditation to the RJC, not only shows commitment to the moral, social, ethical and environmental standards of our industry, but those of our customers too.”

Saul Rubins, Policy, Compliance and Quality Assurance Manager, Berker Bros Ltd



The number of facilities and workers covered by COP certification has increased between 30-40% over the past 3 years, with the greatest concentration in the manufacturer/wholesaler forum, with 36% of employees working in this part of the supply chain.

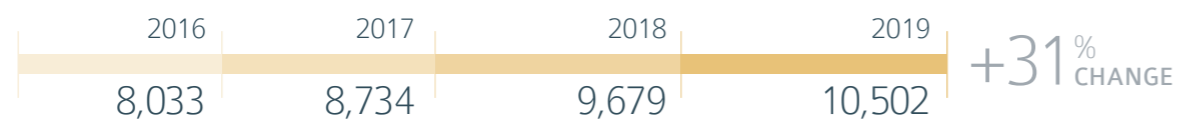
Number of workers covered by COP certification:



The number of workers approximately doubled in the in the producer forum in 2017. Similarly the number of workers doubled in the refiner/trader/hedger forum in 2019 following an increase in the number of first certifications in this part of the supply chain*.

* Please note the restatement of the data reported in the 2017 Annual Progress Report for the number of workers covered by COP certification as 380,394. A significant error in the number of employees in one historic certification record was identified in the database. This error impacts number of workers covered by certification reported between 2015-2016. The RJC is implementing a new data governance framework in 2020 to improve data management.

Number of facilities covered by COP certification:



COC CERTIFICATION SNAPSHOT 2019

Total number of CoC certificates issued at YE since 2012:



Number of CoC certificates issued in 2019:



Number of COP certified entities at YE:



1

Producers

48

Precious metals refiners, hedgers, traders

46

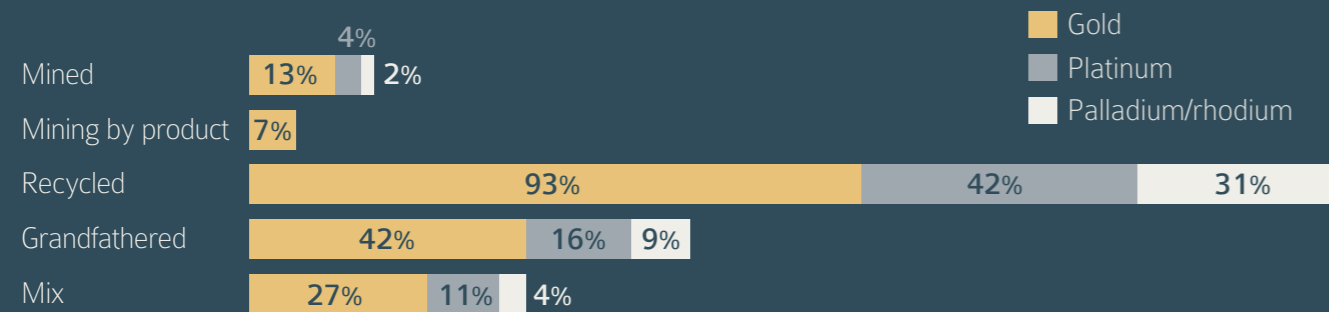
Jewellery & watch manufacturer, wholesalers

0

Jewellery & watch retailers



Number of CoC certified entities at YE who are certified to issue eligible material declarations and start the chain of custody for materials



237

Number of facilities covered by certification at YE



16

Geographic span of CoC certified facilities at YE

Maturity of member CoC certification at YE:



First certifications:

64%



Re-certification:

36%

4.3 OVERVIEW OF COC CERTIFICATION: 2017–2019

The Chain-of-Custody Standard (CoC) was launched in March 2012 and defines traceability requirements for handling and trading gold and platinum group metals. Chain-of-custody (CoC) certification is voluntary and complements certification against the RJC's Code of Practices, which is mandatory.

The CoC received a full consultation and revision, and version two was released in December 2017. Silver was added to scope in January 2020.

The RJC has witnessed almost a 200% increase in CoC certificates issued since the start of 2017, with a total of 148 certificates issued since the standard was released in 2012.

Total number of CoC certificates issued at YE:



Initially the adoption of the standard was highest among the refiners, with 74% of certified entities in 2016 belonging to the refiner/trader/hedger forum. However, between 2017-2019, certification has increasingly been taken up by jewellery and watch manufacturers. As of end of 2019, the proportion of CoC certified manufacturing entities (48%) was almost equal to that of refiners/traders/hedgers (51%), however the largest proportion of CoC certified facilities belong to the manufacturer forum (53%).

Number of certified entities at YE:





Number of facilities covered by certification at YE:



The 220% increase in the number of certified facilities is attributed both to the increase in the number of CoC certified entities, but also an increase in the number of specialised outsourced contractors who work with or handle CoC material being included in the scope of certified entities.

The countries with the biggest growth over the past 3 year, and also the majority of certified facilities are Switzerland (791%) and Italy (425%). In 2019, the RJC issued the first CoC certification to a Japanese company – a jewellery manufacturer.

CoC gold continues to be the most common CoC material year on year, featuring in 100% of CoC certificate scopes. Platinum features in approximately half of the certificates issued over the past 3 years, while palladium and rhodium are in 30% of certificates issued.

Image courtesy of DOMINION DIAMOND MINES



Global reach of the RJC – YE 2019

36

Number of countries with the RJC member HQs

76

Number of countries with the RJC COP Certified Facilities

16

Number of countries with the RJC CoC Certified Facilities

KEY

- Number of Member HQs
- Number of COP Certified Facilities
- Number of CoC Certified Facilities



Post Audit Member Survey: 2019

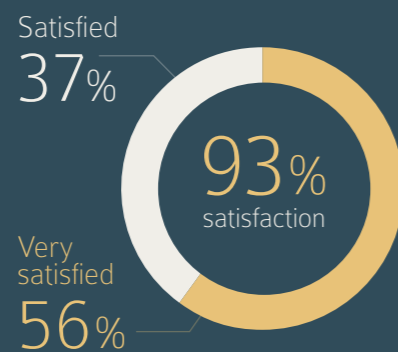
Following receipt of a member's audit report to the RJC, members were asked to provide feedback on the quality of the RJC's member service and the audit, as well as the benefits realised as a result of their RJC certification. With a response rate of 33% in 2019, members rated the RJC's members service highly:

Member service rating: 4.1 out of 5

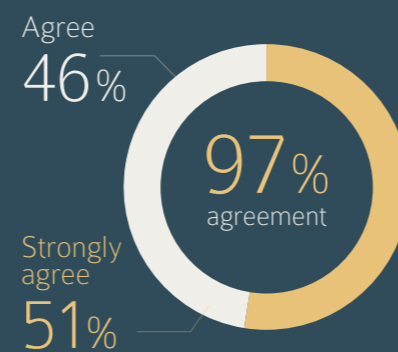


The RJC's audit are undertaken by independent audit firms who are accredited by the RJC and audit quality is assured through an ongoing audit oversight programme with Accreditation Services International. In the 2019 survey, members responded positively to on the topic of audit quality:

Member satisfaction with the RJC audit:



Auditor performed the RJC audit to a high standard:



Members also highlighted the following key business benefits to becoming certified in survey:

Percentage of respondents:



Update on Q1 2020



1256
Members



888
Code of Practices
certified members



101
Chain of Custody
certified entities



71
Countries

14
Producers

77
Precious metals traders,
hedgers, refiners

373
Precious stones
cutters, polishers,
traders

691
Jewellery manufacturer,
wholesaler

69
Jewellery
retailer

15
Service
Industries

17
Trade
associations

48
Total number of 2019 COP
certificates issued since its
launch in April 2019

10,165
Number of facilities
covered by COP
certification

71
Geographic span of
COP certified facilities

314,311
Number of employees
covered by COP
certification

271
Number of facilities
covered by CoC
certification

17
Geographic span of
CoC certified
facilities

In Q1 2020, there has been a 2% net membership growth and a 5% net increase in COP certified members. Whilst the numbers of COP certified members have increased during the first quarter of this year, the scope of certification in terms of number of countries, sites and employees has decreased in comparison with YE 2019, as the certification of some larger members has lapsed during Q1 2020 due to the scheduling of the re-certification audit.

Chain of custody certification continues to grow strongly with a 6% net growth in CoC certified entities and as a result, a 14% net growth in certified facilities in Q1 2020.

CHAPTER 5

Advocacy for positive change

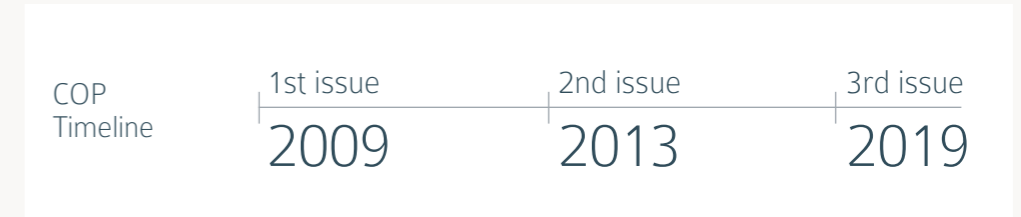
5.1 THE NEW CODE OF PRACTICES

Our members share responsibility for the integrity of the entire supply chain, and work together to set the standards across it.

In April 2019 the RJC released its third edition of the mandatory Code of Practices (COP) standard. By undergoing an independent third party audit against the COP standard, member companies can demonstrate their ongoing commitment towards sustainability and responsible business practices.

The 2019 edition resulted from a two-year development process, involving three rounds of consultations. Our approach was to make the process accessible and open for all stakeholders to participate and contribute to the new COP framework.

Throughout the review process, we engaged with RJC members, our multi-stakeholder Standards Committee, the wider jewellery and watch industry, and other organisations to ensure a balanced representation of the global jewellery supply chain and the geographic scope the COP standard covers. Consultations were held in London, Paris, New York and Mumbai; and with, local NGOs, Civil society, and government representatives. The consultation was designed to engage with the industry and stakeholders on what issues the RJC should address and the risks it should seek to mitigate through the COP provisions. During the first round



of consultation the RJC received 120 written submissions to update the COP standard and supporting documentation.

As a result of the three rounds of consultation, there are new provisions on due-diligence and recycled materials, whilst all existing provisions were either updated, amended or re-written.

The 2019 standard aligns with Organisation for Economic Co-operation (OECD) Due Diligence Guidance. The material scope has been expanded to include silver and coloured gemstones (rubies, emeralds, sapphires) and now includes requirements on the detection of lab-grown diamonds.

As a whole, the COP also aims to align with the prevailing global framework for social inclusion, environmental sustainability and economic development through the Sustainable Development Goals (SDGs). These 17 goals, adopted by the United Nations represent priority issues for governments across the world and are a key driver in current policy development. Achieving them will require the cooperation and collaboration of all stakeholders within the jewellery and watch industry.

The 2019 COP is not just a refresh; it re-envision the future of responsible business practices for the jewellery and watch industry. We hope that the revised COP and the expansion of material scope will attract more member companies to join the RJC movement – resulting in more jewellery and watch companies to endorse responsible business practices. Attracting more member companies from across the industry will strengthen the COP’s status as transforming the industry for good.

The 2019 COP was officially announced at the OECD Forum on Responsible Mineral Supply Chains in Paris, France in April 2019, to an audience of government, industry and community stakeholders.

“IWC Schaffhausen is proud to have been a member of the RJC since 2012, and in 2020 became the first luxury watch brand to achieve certification to the 2019 Code of Practices standard. We opted to be certified to this new standard to demonstrate our strong commitment to responsible business practices – not just in Schaffhausen, but throughout our supply chain. All our suppliers of precious metals and diamonds have the RJC certification, and our Boutique colleagues are pleased to be able to explain the significance of this to our customers.”



Christoph Grainger-Herr
IWC, CEO

5.2 ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT’S (OECD) DUE DILIGENCE GUIDANCE

The RJC’s 2019 COP now requires members to demonstrate due-diligence based on the Organisation for Economic Co-operation and Development’s (OECD) Due Diligence Guidance, giving peace of mind for members seeking greater transparency for their business – and their customers.

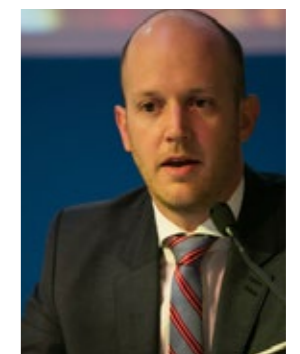
Provision seven of the 2019 COP is based on the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, assessing the risks highlighted in Annex II. This includes gross human rights violations, torture, forced or compulsory labour, war crimes, support to non-state armed groups or public or private security forces, bribery and fraudulent misrepresentation of the origin of minerals, money laundering and non-payment of taxes. For the RJC members this new provision following the OECD due-diligence framework, is a significant step in formalising understanding of their supply chains. This provision is applicable for all the RJC scope materials; gold, silver, platinum group metals, diamonds and coloured gemstones (rubies, emeralds & sapphires).

This requirement underlines the COPs status as a world-leading standard for the jewellery and watch industry.

“The due diligence requirements in the COP show a real commitment to the OECD Guidance.

The provision and its accompanying guidance provide, for the first time, a comprehensive due diligence approach tailored to the diamonds and coloured gemstones supply chains.

I congratulate the RJC for its leadership in reaching this milestone, and encourage all members in the jewellery industry to step up their efforts to ensure these standards are meaningfully implemented as soon as possible.”



Tyler Gillard, Manager of Sector Projects,
Responsible Business Conduct Unit, OECD

5.3 UNITED NATION'S GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

The UN Guiding Principles has been designed as an operational guide to implement the UN's three-pillared 'Protect, Respect and Remedy Framework' to prevent and address human rights abuses in business practices.

In alignment with relevant new national legislation including the UK's & Australia's Modern Slavery Act; California's Transparency in Supply Chains Act; and the French Duty of Vigilance Law, the RJC requires member compliance against the United Nations Guiding Principles and Human Rights.

The RJC's COP guidance document integrates the UN framework demonstrating the need for members to conduct human rights due-diligence in-alignment with the OECD Due Diligence Guidance. This highlights knowing where your materials originate from is important, but knowing that human rights were respected in relation to that same material is equally a priority.

5.4 DUE DILIGENCE PILOT PROJECT

The Responsible Jewellery Council announced the start of the Due-Diligence pilot project at the launch of the revised 2019 COP standard. With due-diligence being relatively new to the diamond and coloured gemstone supply chain, the project was initiated to support members throughout the process.

We are creating clear, practical and useful toolkits specifically for diamond and coloured gemstone supply chain members and auditors to assist them in their implementation of OECD due-diligence.

The objective is to ensure all the RJC accredited audit firms understand the minimum criteria of OECD based due-diligence and make sure that the RJC members have properly implemented their compliance with COP provision seven.

The development of these toolkits involves a pilot group of the RJC members and a pilot groups of the RJC accredited auditors, whose input is invaluable in making the toolkit a robust tool for wider members and auditors. Both toolkits are to be completed in late 2020.

5.5 HARMONISATION

Voluntary Standards and Certification are important for businesses operating in complex supply chains. Governments and international organisations increasingly use standards as vehicles to achieve policy objectives, and there is growing demand for standards as tools to address emerging sustainability challenges.

The RJC works with a wide range of stakeholders to promote responsible business practices and to support harmonisation between related initiatives.

The COP aims to recognise and align with other initiatives and standards for responsible business practices wherever possible. Some external standards and initiatives are recognised by the RJC as equivalent to one or more COP provisions; in these cases, members and auditors can use external certification to assume conformance without additional self-assessment or review. The table below provides some examples of COP provisions and recognised equivalents.

EXTERNAL STANDARD OR INITIATIVE	IMPLICATIONS FOR SELF-ASSESSMENT OR AUDIT IF EXTERNALLY CERTIFIED
<p>Social Accountability International SA8000® Standard</p> <p>SA8000:2014 sa-intl.org/programmes/sa8000/</p>	<p>The business or facility does not have to be audited against the following COP provisions:</p> <ul style="list-style-type: none"> • General employment terms: 15.1, 15.2 • Working hours: 16.1, 16.2a-c, 16.3a-b, 16.5 • Remuneration: 17.1, 17.2, 17.3, 17.4, 17.5, 17.6, 17.7, 17.8 • Harassment, discipline, grievance procedures and non-retaliation: 18.1, 18.3, 18.4a-c, 18.5 • Child labour: 19.1a, 19.2, 19.3 • Forced labour: 20.1, 20.2a-e, 20.3 • Freedom of association and collective bargaining: 21.1, 21.2, 21.3 • Non-discrimination: 22.1 • Health and safety: 23.1, 23.2, 23.3, 23.4, 23.5, 23.6, 23.7, 23.9
<p>International Organisation for Standardization (ISO) Environmental management systems standard</p> <p>ISO 14001:2015 www.iso.org/standard/60857.html</p>	<p>The business or facility does not have to be audited against the following COP provisions:</p> <ul style="list-style-type: none"> • Environmental management: 24.1, 24.2 <p>Some ISO 14001 standards are less specific than the equivalent COP provisions. The auditor must assess the scope of the business's ISO 14001 certification and determine whether the following COP provisions were appropriately verified:</p> <ul style="list-style-type: none"> • Hazardous substances: 25.3 • Wastes and emissions: 26.1, 26.2a • Use of natural resources: 27.1, 27.2, 27.3, 27.4 • Biodiversity: 38.2a, 38.2c <p>If they were appropriately verified during the ISO audit, they do not have to be audited again; if not, they must be fully verified during the RJC audit.</p>

EXTERNAL STANDARD
OR INITIATIVE

IMPLICATIONS FOR SELF-ASSESSMENT
OR AUDIT IF EXTERNALLY CERTIFIED

The British Standards Institution (BSI) Occupational Health and Safety Standard

OHSAS 18001:2007
www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/

The business or facility does not have to be audited against the following COP provisions:

- Health and safety: 23.1, 23.3, 23.4, 23.5, 23.8, 23.9

This standard has been replaced by ISO 45001. All organisations certified to OHSAS 18001 must transition by March 2021.

ISO Occupational Health and Safety Management Systems Standard

ISO 45001:2018
www.iso.org/standard/63787.html

The business or facility does not have to be audited against the following COP provisions:

- Health and safety: 23.1, 23.2g-h, 23.3, 23.4, 23.5, 23.6, 23.8, 23.9
- Hazardous substances: 25.3
- Mercury: 41.2b

Some ISO 45001 standards are less specific than equivalent COP provisions. In particular:

- Emergency response COP provision 37.1 requires emergency response plans to be based on UN Environment's Awareness and Preparedness for Emergencies at Local Level for Mining, which is not required by ISO 45001.

The auditor must assess the scope of the business's ISO 45001 certification and determine whether this COP provision was appropriately verified during the ISO audit. If it was, it does not need to be audited again; if not, it must be fully verified during the RJC audit.

London Bullion Market Association (LBMA):

- Good Delivery list
- LBMA Responsible Gold Guidance

www.lbma.org.uk/responsible-sourcing-guidance

The business or facility does not have to be audited against the following COP provisions for gold:

- Due diligence for responsible sourcing from conflict-affected and high-risk areas: 7.1a, 7.2, 7.3a

When verifying open non-conformances, LBMA's low risk grading can be treated as a minor non-conformance. For medium risk, high risk and zero tolerance these are to be treated as major non-conformances.

Responsible Minerals Assurance Process (RMAP):

- Conformant smelters and refiners list
- Gold Refiner Standard

www.responsiblemineralsinitiative.org/conformant-smelter-refiner-lists/

The business or facility does not have to be audited against the following COP provisions for gold:

- Due diligence for responsible sourcing from conflict-affected and high-risk areas: 7.1a, 7.2, 7.3a

When verifying an open RMI non-conformant audit outcome, auditors must take into consideration whether the non-conformance is equivalent to an RJC minor or major non-conformance in order to determine their actions in verifying the cross recognition.

EXTERNAL STANDARD
OR INITIATIVE

IMPLICATIONS FOR SELF-ASSESSMENT
OR AUDIT IF EXTERNALLY CERTIFIED

Dubai Multi Commodities Centre (DMCC):

- Good Delivery list
- Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain

www.dmcc.ae/gateway-to-trade/commodities/gold/responsible-sourcing

The business or facility does not have to be audited against the following COP provisions for gold:

- Due diligence for responsible sourcing from conflict-affected and high-risk areas: 7.1a, 7.2, 7.3a

When verifying open non-conformances, DMCC's low and medium risk deviations can be treated as minor non-conformances. For high risk deviations these are to be treated as major non-conformances.

London Bullion Market Association (LBMA):

- Good Delivery list
- LBMA Responsible Gold Guidance

www.lbma.org.uk/responsible-sourcing-guidance

Gold refiners do not have to be audited against the following CoC Standard provisions:

- Due diligence: 1.1, 1.2, 1.3

When verifying open non-conformances, LBMA's low risk grading can be treated as a minor non-conformance. For medium risk, high risk and zero tolerance these are to be treated as major non-conformances.

Responsible Minerals Assurance Process (RMAP):

- Conformant smelters and refiners list
- Gold Refiner Standard

www.responsiblemineralsinitiative.org/conformant-smelter-refiner-lists/

Gold refiners do not have to be audited against the following CoC Standard provisions:

- Due diligence: 1.1, 1.2, 1.3

When verifying an open RMI non-conformant audit outcome, auditors must take into consideration whether the non-conformance is equivalent to an RJC minor or major non-conformance in order to determine their actions in verifying the cross recognition.

Note that this recognition is based on the Responsible Minerals Initiative 2017 Gold Refiner Standard, which was effective from 1 June 2018.

Dubai Multi Commodities Centre (DMCC):

- Good Delivery list
- Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain

www.dmcc.ae/gateway-to-trade/commodities/gold/responsible-sourcing

Gold refiners do not have to be audited against the following CoC Standard provisions:

- Due diligence: 1.1, 1.2, 1.3

When verifying open non-conformances, DMCC's low and medium risk deviations can be treated as minor non-conformances. For high risk deviations these are to be treated as major non-conformances.

EXTERNAL STANDARD
OR INITIATIVE

IMPLICATIONS FOR SELF-ASSESSMENT
OR AUDIT IF EXTERNALLY CERTIFIED

Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small-Scale Mining

Material from the mines certified to these standards can be traded under the CoC Standard in combination with other CoC materials.

[www.fairtrade.org.uk/
Farmers-and-Workers/Gold](http://www.fairtrade.org.uk/Farmers-and-Workers/Gold)

Fairmined Standard for Gold from Artisanal and Small-scale Mining, including Associated Precious Metals

[www.fairmined.org/the-
fairmined-standard](http://www.fairmined.org/the-fairmined-standard)

International Council on Mining and Metals (ICMM) sustainable development framework

(mines that have been included in assurance site sampling within the past three years)

www.icmm.com

The Mining Association of Canada's Towards Sustainable Mining (TSM) programme (mines with a verification Level A or higher across all indicators)

[www.mining.ca/towards-
sustainable-mining](http://www.mining.ca/towards-sustainable-mining)

5.6 INCLUSION OF SILVER AND COLOURED GEMSTONES



Daniel H Piat, member since July 2019

One of the significant changes to the 2019 COP is the inclusion of silver and coloured gemstones (rubies, emeralds & sapphires) in the RJC scope of materials.

The first specific coloured gemstone trading member to obtain the 2019 COP certification was Maison PIAT (Daniel H), who joined the RJC in July 2019, as soon as scope of materials was expanded to include coloured gemstones. They have been a front runner for compliance against the 2019 COP as soon as it was released.

Piat commented: "We know the stakes of this certification are high, at a time when sustainable development is getting increasingly important. The approach is complex with coloured stones, it will be an industry-wide move, a true collective work that will have to be done step by step. The customer is asking for more trust and transparency and we are more than happy to oblige."

For coloured gemstone supply chains, the compliance against the RJC's requirements for human rights and due-diligence are pivotal to begin the process of transparency, demonstrate that the principles of human rights are applicable to all parts in any supply chain and that purchasing from conflict-affected and high risk areas can no longer go on unaddressed.

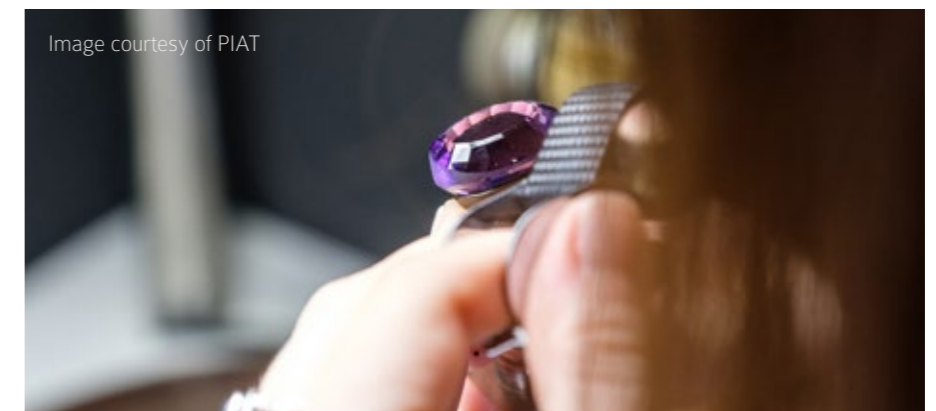


Image courtesy of PIAT

5.7 GENDER EQUALITY



(Left – Right) UNECE Executive Secretary, Olga Algayerova and Executive Director, Responsible Jewellery Council, Iris Van der Veken.

RJC signed the United Nations Economic Commission for Europe (UNECE Declaration on Gender Responsive Standards and Standard Development in February 2020 – strengthening our ongoing commitment to gender equality.

The certification process to the COP is a practical way for our members to start their sustainability journey and contribute to the Sustainable Development Goals (SDGs).

The RJC has enormous opportunity to lead in partnership with all stakeholders and enable a positive shift in the corporate sector towards delivering the SDG – in particularly SDG 5 – Gender.

Issues on gender equality are complex and deeply-rooted. Business can play a critical role in changing attitudes, building responsible practices throughout the supply chain, and creating inclusive and safe work environments for everyone.



SDG Goal 5: Gender equality

Through our RJC standards members throughout the supply chain can contribute towards improving gender equality in the jewellery and watch industry – and the 2030 agenda as a whole.

Jewellery Supply Chain: Stages of Sourcing and Production

Women are present across the entire jewellery and watch supply chain – from mining, to cutting and polishing, to manufacturing, designing and retail.

- For example, women represent 30-40% of artisanal miners
- In India, a large number of women are employed in diamond cutting and polishing and jewellery manufacturing. A leading example is Botswana, where women represent 70-80% of the diamond cutters.
- If we look at product manufacturing, women may represent from 40 to 90% of workers in jewellery factories, depending on the country context. Research reveals that in Italy, the jewellery manufacturing workforce is about 40-50% women while in some factories in Thailand women represent up to 90% of the workers.

Stages of sourcing and production Jewellery Supply Chain



White Paper: "Women in the Jewelry Supply Chain". BSR April 2018.
www.bsr.org/reports/BSR_Women_in_the_Jewelry_Supply_Chain.pdf

Barriers to women’s empowerment in the jewellery supply chain

- To start, women have limited representation in leadership and lack access to decision-making roles.
- Additionally, women are frequently more present in lower-skilled work and often in more vulnerable to poor working conditions and lower wages.
- Women are also often limited to participate and grow into higher positions given their lower educational levels and skills.
- For example, in the cutting and polishing industry in India and Sri Lanka, many men have learned and gained skills by watching their fathers and uncles and may have served as apprentices – cases rarely seen for women and girls. Beyond the usual formal education challenges, women also are often less exposed to informal training that could provide more technical expertise and skills.

We also see that specific challenges emerge from lack of access to finance, limited knowledge of opportunities, or limited network.

- Another example is on care giving and mining. The nature of working and time scheduling for industrial mining, and sometimes the lack of family friendly policies limits the number of women participating in the mining workforce given the traditional role of women as primary caregivers and mothers.
- In cutting and polishing as well as manufacturing, the increase in the use of technology and shifting the required skills raises concerns given women often have lower technical skills and levels education.

The jewellery industry has a particularly strong case for supporting women’s empowerment as women drive demand for more than 90% of the world’s jewellery.

Women Empowerment in the Jewellery Industry



Eight building blocks framework for women’s economic empowerment set forward by the International Center for Research on Women, Dalberg Global Development Advisors, and the Oak Foundation

The above graphic presents the eight building blocks identified as the universal requirements for improving women’s economic empowerment programmes. Particularly to the jewellery industry, there are 6 of these 8 building blocks, marked in grey which present both, challenges but also opportunities of action to advance women and, hence, promote gender equality. While there are many different actions and programmes that could be implemented, some of these could include:

- Promoting access to more equal employment as well as economic opportunities by having more representation across the different roles, developing a gender-balance pipeline, reviewing pay structures and wages;
- Developing training programmes to enhance skills across workers, especially women, that then help them advance into other roles;
- Setting policies to tackle gender-based violence and sexual harassment, having trainings on these policies and on also on what violence and harassment means as sometime not all know, and implementing relevant programmes;
- Providing childcare services or support to help distribute women’s care responsibilities, which are often seen as a burden and limit opportunities. These are only a few examples.



Image courtesy of RJC member DIMEXON

Gender equality is the one SDG that is key to achieving all the others.

Addressing gender equality – The Responsible Jewellery Council’s approach to women’s empowerment

The RJC has integrated a gender lens to various provisions – some which more intuitively or directly address gender equality (such as non-discrimination, or the suggestions we have put forward for community development) and others that may not be necessarily so obvious as to why women are in more vulnerable situations, such as working hours, where we call out the right to paid maternity leave and flexible working hours and arrangements.

The Code of Practices Provisions where we include specific gender dimensions are those on:

- Policy and implementation
- Community Development
- Working Hours
- Harassment and grievance procedures
- Non-discrimination

For example, under the Non-discrimination, we highlight that discriminations is not tolerated across the entire employment cycle, such as hiring, continued employment, remuneration, professional development, termination, and we also expand on the

discrimination grounds to include marital, parental and pregnancy status.

Way forward

- Implementation of the Code of Practices by our members with additional guidance on gender and implementing the Women Empowerment Principles
- Measuring impacts and data
- Enhancing collaboration through multi-stakeholder collaboration.

RJC Member Approaches

When it comes to our members, we have seen multiple approaches across companies, where we see programmes and initiatives aimed at advancing women in the workforce as well as women in the impacted communities. These approaches include setting gender-balanced leadership and workforce goals, assessing potential gender pay gaps, promoting safe working environments free of gender-based violence and sexual harassment, raising awareness; as well as promoting the employment of women workers in the local impacted and/or sourcing communities, supporting women-oriented programmes, providing necessary trainings and support. Our members are working on and addressing several of the building blocks presented above as well as the developing programmes across the action pillars we have also covered.



Image courtesy of WORLDWIDE DIAMOND MANUFACTURERS PVT LTD

BSR’s White Paper. “Women in the Jewelry Supply Chain”. (April 2018). www.bsr.org/reports/BSR_Women_in_the_Jewelry_Supply_Chain.pdf

DE BEERS

De Beers Group mining company, RJC founding member (2005)

De Beers has a vision to create a workforce with equal gender representation as well as equal access to opportunity for women and girls in their host communities and producer companies.

- Internally, De Beers has committed to a diverse gender-balanced workforce.
- The commitment of parity (between 40 - 60%) continues in 2020.
- Employee networks, reciprocal mentoring programmes and recruitment guidelines.
- Challenge stereotypes and create cultural change, for example by engaging men across the Group and rolling out inclusive leadership training.

Externally, De Beers:

- Promotes and supports women micro-entrepreneurs through mentoring, networks, business and life skills training.
- Accelerating Women Owned Enterprises (AWOME) programme, run in partnership with UN Women and local governments, they aim to support at least 1,250 women microentrepreneurs across Botswana, Namibia and South Africa by 2020. The programme provides mentoring, networks, business and life skills training, which will in turn create new jobs, regular wages and a wider range of businesses to help local communities to thrive. The programme has so far trained more than 50 local people to become trainers and supported over 850 women micro-entrepreneurs in Namibia and South Africa, ranging from mechanics, children's entertainers, farmers, hairdressers and tailors.
- De Beers is also investing in opportunities for girls and women in local communities around and across their operations to access excellent education and training, with a particular focus on science, technology, engineering and mathematics (STEM) and leadership skills. To date over 720 girls from Namibia, South Africa and Botswana have taken part in programmes run in partnership with WomEng.





Dimexon – Diamond Trader Cutter Polisher, member since February 2006

DIMEXON creates employment opportunities for women, resulting in talent retention and very low staff turnover rates.

- Founder Pankaj Mehta recognised the limited employment options for women.
- Developed programme to integrate women in the workforce to become diamond cutters and polishers – including upskilling and retention.
- Also focus on safe working environments and addressing and eliminating violence and harassment.

(Building blocks to refer to: access to safe and equitable employment opportunities, education and training, freedom from the risk of violence).



Day's Jewelers – Jewellery Retailer, member since October 2007

Day's Jewelers internal policies and business practices – 59% of its management staff are women – they also support other actors and charities to accelerate women's empowerment.

- Gender equality programme led by senior management.
- Gender pay gap review panel includes the company president and senior executives.
- Evaluate gender ratios in leadership positions to ensure equal opportunities are provided to women.
- Support organisations for women empowerment in diamond producing countries.

(Building blocks to refer to: Access to safe and equitable employment).

LVMH BVLGARI

LVMH – Bvlgari Jewellery manufacturer, member since August 2006

LVMH and Bvlgari have developed several programmes to promote more diverse and gender-balanced workforces and leadership teams.

Examples include:

- Setting women in leadership goals;
- Professional development of women at all levels through training and coaching;
- Training recruitment teams on diversity and inclusion.



Image courtesy of BVLGARI



FTJCo.

Fair Trade Jewellery Company – Jewellery retailer, member since August 2006

Fair Trade Jewellery has also taken action both internally as well as externally.

- 90% women workforce, with women amongst the decision makers within their company – a strategy that has strengthened their business.
- Flat organisation to ensure participation and inspire staff confidence.
- Sources responsible ASM gold through IMPACT's Just Gold programme in the DRC. IMPACT's programme conducts training for women in mining communities. Results include increased literacy, empowering women to access mine sites to mine them, whereas previously they held peripheral jobs. Women are now more knowledgeable about how to trade the gold they mine, and they have greater decision-making power in their households. This all leads to greater female economic empowerment and leadership.

(Building blocks to refer to: Access to safe and equitable employment opportunities, Education and training, Voice in society and Policy influence).

M A K A L

Makal – Jewellery Retailer, member since August 2006

MAKAL founder and CEO, Daniela Colaiacovo focused on empowering women in the mining sector to make mining a positive force for community development.

- Supporting women to become legal miners, acting as the link with the authorities, helping them obtain operating licences and authorisations.
- Providing training and tools to increase women miners' efficiency and yield.
- Helping the women to organize themselves and form independent cooperatives of women, run by women.
- Training women to be responsible entrepreneurs, and raising awareness to risks of operating illegally.

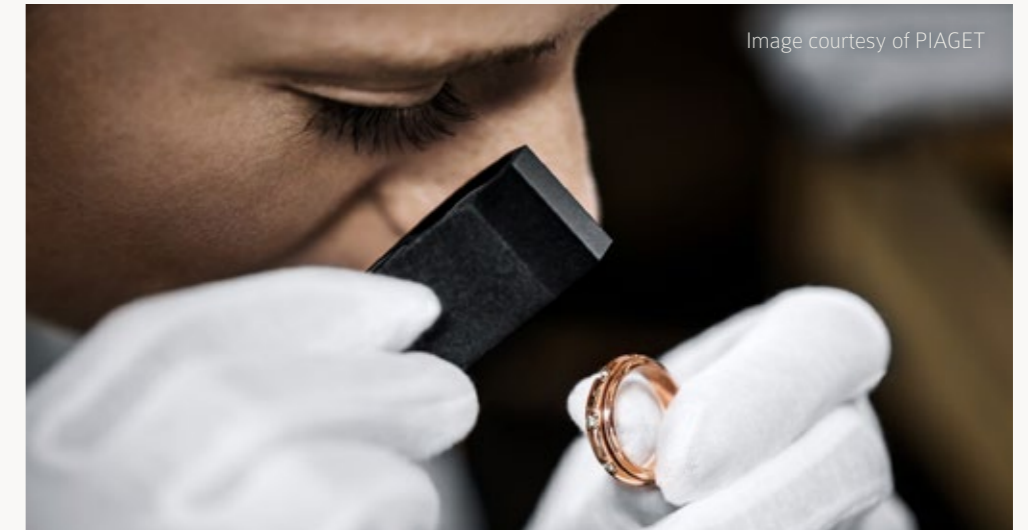
Time to Act

As we can see, there are already several different initiatives across our members that are addressing gender equality within their organisation as well as throughout the impacted communities of their operations.

Given the current context on gender imbalances and inequalities and the need for different stakeholders to advance on gender equality to achieve the SDGs, we as the RJC see this moment as a great opportunity for us to act as an industry, act as a company, act as a partner, to put forward the women's empowerment agenda and promote gender equality. Companies in the jewellery industry, both upstream and downstream in the supply chain, have different opportunities to engage and support gender equality and advance women's empowerment.

We do understand that each company is at different stages in addressing and advancing women's opportunities, and that actions need to be tailored, but here are a few thoughts we would like to leave with you as potential actions:

- Implement our Code of Practices and join our Gender Equality Workstream
- Commit to gender equality. Become a signatory of the Women's Empowerment Principles, which also offer guidance on how to empower women in the workplace, marketplace and community.
- Review your code of conduct and processes with a gender-dimension to identify potential gender-sensitive challenges and impacts.
- Raise internal awareness with leadership and management on why gender-equality is important and the value that this can add. Conduct gender-sensitive trainings with your workers also to ensure concepts are embedded throughout the organisational structure and culture.
- Engage and support further, and new, research at the different stages of the supply chain to uncover context-specific gendered challenges to design solutions that will enable and advance women in the jewelry supply chain. Every context is different and tailored solutions are very important!
- Share your experiences and learnings – others will be inspired by you and will find some solutions to their challenges





Join and be an active member of collaborations, together we will be able to move the needle much more.

In March 2020 to mark International Women's Day, the RJC hosted a webinar in partnership with the UN Global Compact on the topic of 'Gender Equality in Action'. The session was attended by 100 attendees who tuned in to find out about SDG5, and explore practical steps they can take to achieve gender equality.

The webinar featured the above inspiring case studies from RJC member companies around the world and across the supply chain, showcasing work they are doing to champion women empowerment and SDGs in their workplaces.



 [Watch the webinar](#)

 [Download the pdf](#)

5.8 IMPACT OF THE RJC IN INDIA

Introduction

The RJC conducts research to understand how the RJC standards contribute to sustainability outcomes and impacts for members across the global jewellery supply chain.

The most recent research was conducted in partnership with Social Accountability International (SAI), a leading non-governmental organisation advancing human rights at work. The project investigated outcomes of the COP certification across members in India, focusing on labour rights and working conditions.

The COP ensures members develop management systems, appropriate to the size and impact of their business, to comply with the international labour conventions and ensure responsible and decent working conditions for all employees. By complying with the COP, members can help to achieve the 17 Sustainable Development Goals (SDG), including SDG 8 - 'promote decent work and economic growth'.

Given the country's significant role across the global gems and jewellery supply chain, India was the focal point for this project.

By the end of 2019, over **540 sites** and **58,000 employees** in India were within scope of the RJC certification.

 **546**
sites

 **58,000**
employees

As the world's largest cutting and polishing centre for diamonds, it employs nearly one million people across the country². The industry is largely concentrated in Surat, Gujarat where a highly skilled workforce manufactures over 90% of the world's diamonds by volume². Once cut, diamonds are traded through bourses globally, including the Bharat Diamond Bourse in Mumbai, which is the largest globally and handles 90% of India's total diamond imports and exports². India's export jewellery manufacturing industry is predominantly based in Mumbai's Special Economic Zone, Santacruz Electronics Export Processing Zone (SEEPZ), and its silver and gold jewellery exports rank India 3rd and 4th globally³.

²: <https://gjepec.org/india-center.php>

³: <https://gjepec.org/statistics.php>



"SAI agreed to partner with the RJC because of its leadership's commitment to making a positive impact for members and workers. During our study, we were pleased to see the positive potential of the RJC Code of Practices and the RJC team's eagerness to scrutinize its system and find ways to continually improve."



Jane Hwang, CEO
Social Accountability
International (SAI)



The approach

The RJC partnered with SAI, on a two-part research project comprising of:

Part one – an online survey:

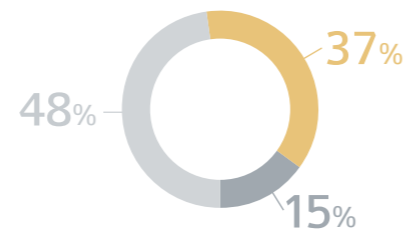
The survey assessed the outcome of the RJC certification on member’s policies and procedures, and subsequently worker understanding of them, related to the different aspects of:

- Labour rights (such as child labour, wages, non-discrimination, forced labour, freedom of association)
- Working conditions (such as fire safety, hygiene, medical facilities, personal protective equipment)

The survey was distributed by SAI in October 2019 to all **132** member companies with operations in India, of which **20%** responded.



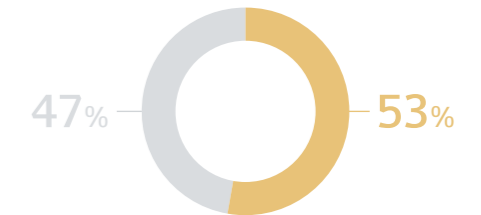
48% of respondents were diamond traders, cutters, polishers, **37%** jewellery manufacturers, wholesalers, **15%** others including retail and refiners.



Part two – visits to member sites:

SAI visited 23 sites nominated by RJC in Mumbai and Surat between October and December 2019, to conduct interviews with management and employees, tour sites and review supporting documentation. The sites were selected by RJC to show a range of members.

53% of members visited were jewellery manufacturers whilst the other **47%** were diamond traders, cutter, polishers.



Findings

Members were asked in the survey to indicate where changes to organisational policies and procedures had resulted from their RJC certification:

Labour rights:

Key areas where improvements were noted by members:

50% Managing working hours and overtime

47% Employment contracts

39% Age verification to prevent child labour

The survey results for perceived employee understanding of labour rights policies and procedures were very similar to the results above. More than 40% of members noted an improvement in employee awareness in the areas of managing working hours, minimum wage and employment contracts.

During SAI's onsite visits in India, members cited positive outcomes and feedback from members on RJC certification. Including improvements in worker inclusion and morale, resulting in increased productivity, better worker engagement and grievance mechanisms leading to an increase in employee retention.

Working Conditions

Key areas where improvements were noted by members:

43% Use of Personal Protective Equipment (PPE)

42% Fire safety measures

36% Emergency evacuation plans

Improvements included: employee awareness of working conditions, using Personal Protective Equipment (PPE) improving by (39%), emergency evacuation plans (31%), and health & safety committee (46%).

Key positive outcomes noted during the site visits included advances in health and safety performances, risk assessments and employee health checks. By complying with the 2019 COP and making changes to site layouts, members experienced positive improvements in employee working conditions and productivity.

Business benefits and areas for improvement

Members also highlighted additional benefits of RJC certification, with significant improvements in worker productivity reported by 23% of members and employee satisfaction rates by 31%.

Other areas of improvements included:

69%
Overall business improvement

62%
Identification of business risks related to the COP provisions

61%
Worker engagement

54%
Access to practical training tools, resources, specifically designed to support members in their RJC journey

The RJC learning from the research

We would like to thank Social Accountability International for their partnership, and all our members based in India who contributed to this research project. SAI's research has provided valuable insight into the outcomes of RJC certification in India, highlighting the benefits members have experienced throughout their RJC journey.

We will continue to engage with the jewellery industry in India, to encourage all types of businesses, regardless of where they are in their sustainability journey, to join the RJC – and work towards collectively improving the standards of the entire industry.

“We at Kama believe that it is more important than ever to embrace sustainability, not just to set an example for others, but also create a long-lasting positive impact on the lives of those affected as well as the greater community in which our business operates. Implementing the RJC Code of Practices is a process of continuous improvement and also allows us to educate our stakeholders and support responsible practices with our vendors.”



Colin Shah, Managing Director, Kama Schachter Jewelry Pvt Ltd.



CHAPTER 6

Partnerships for the 2030 agenda is the only way forward

The 2030 Agenda requires effective collaborations between all stakeholders in order to achieve the seventeen Sustainable Development Goals (SDGs). Only through close collaboration in the jewellery and watch industry we can find integrated and innovative solutions to the world's current and future challenges.

Partnerships are included in the five core dimensions of the 2030 Agenda leaving no one behind, the "5 P's": People, Planet, Peace, Prosperity and Partnerships. Partnerships englobe the whole Agenda and are called upon as the essential key tool for its advancement and accomplishment.

We acknowledge that many of our members and key stakeholders have done a lot of work on responsible sourcing and integrating the Code of Practices into their daily operations.

Sustainable Development Goal 17 to "Strengthen the means of implementation and revitalize the global partnership for sustainable development" is an instrumental SDG that focuses on creating an enabling environment for the implementation of the other 16 SDGs.

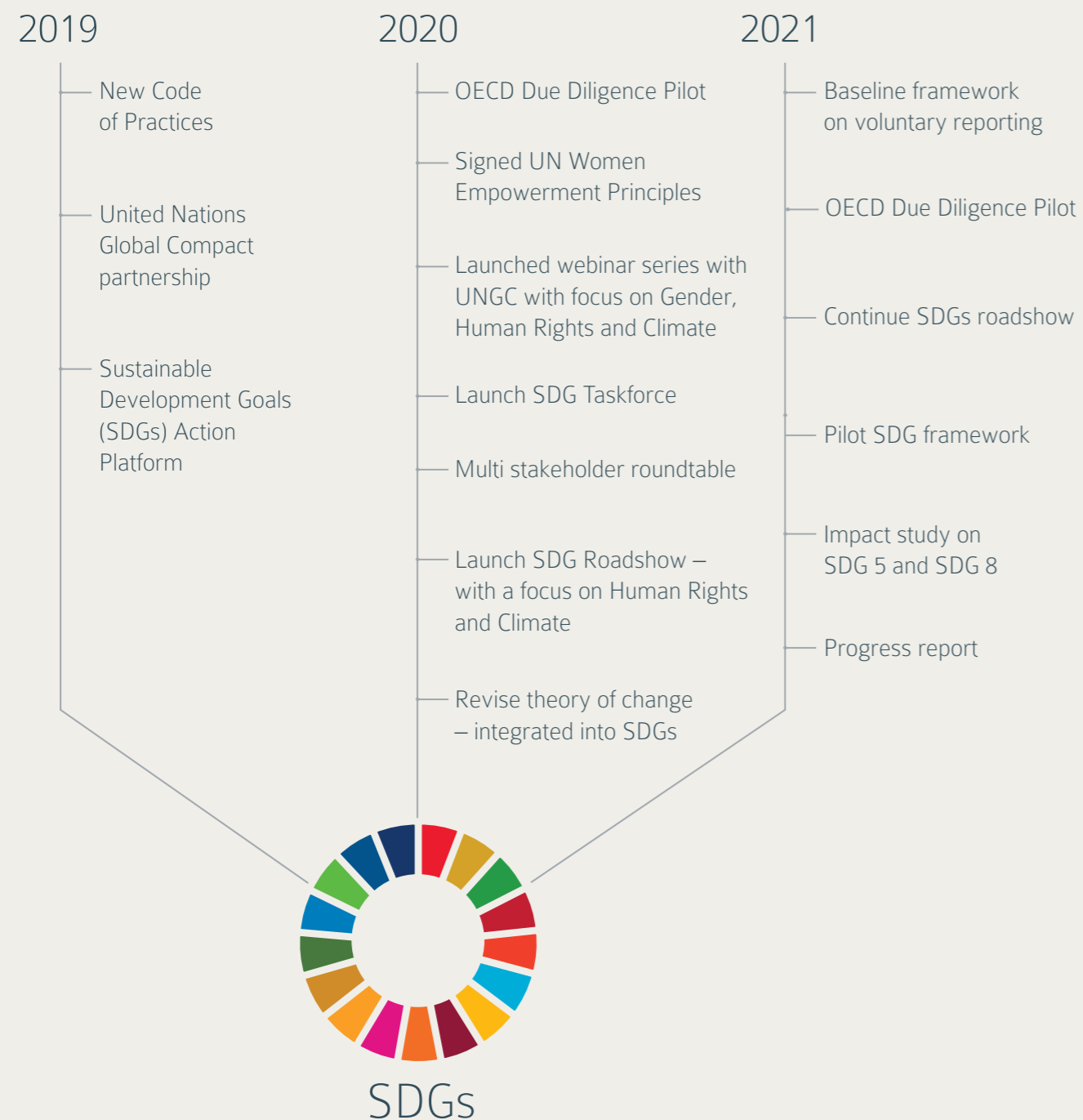
The RJC is committed to building that enabling environment. The 2030 Agenda presents us with the unique opportunity to build a cross industry governance model in which all actors are called upon to play a crucial role, and where we all need to pool our efforts, our expertise and our resources together for a better future for humanity.

We will focus on:

- SDG Taskforce multi-stakeholder governance model (see Chapter 3)
- Education and Awareness of the SDGs with a special focus on SMEs
- Supporting our members and the industry at large in achieving the SDGs through an integrated sustainability framework linked to the implementation of the Code of Practices
- Building reporting indicators to measure progress connected to Environmental, Social and Governance criteria.

Achieving the SDGs requires the partnership of governments, private sector, civil society and citizens alike to make sure we leave a better planet for future generations.

Our journey to 2030 and beyond



We care and will work together in collaboration with all industry stakeholders, throughout our journey.

Looking forward

Our aim is to bring together the jewellery and watch industry to maximise the impact of partnerships for the SDGs, primarily through the Code of Practices.

Our Members are our Partners. We are here to support them on their sustainability journey of continuous improvement.

We are committed to working closely with all key stakeholders and by listening to them will continue to challenge ourselves to do better.

This is the decade of delivery for getting our climate on track and making progress on the SDGs.

We invite you to join us in this journey.

Glossary

A

TERM

DEFINITION

AWDC – ANTWERP
WORLD DIAMOND
CENTRE

AWDC is a public-private partnership, officially representing and coordinating the Antwerp diamond industry.

B

BSR – BUSINESS
FOR SOCIAL
RESPONSIBILITY

A global non-profit organisation that works to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.

C

CIBJO – WORLD
JEWELLERY
CONFEDERATION

Represents the interests of all individuals, organisations and companies earning their livelihoods from jewellery, gemstones and precious metals.

CHAIN OF CUSTODY

A record of the sequence of entities which have custody of minerals as they move through a supply chain.

CODE OF PRACTICES

The RJC's set of standards that defines responsible ethical, human rights, social and environmental practices, which are applicable to all RJC members.

D

DDI

The Diamond Development Initiative works to effect systemic change within the artisanal and small-scale mining sector by convening all interested parties in processes and projects that help turn precious stones and minerals into a source of sustainable community development.

DPA – DIAMOND
PRODUCERS
ASSOCIATION

An industry led organisation to maintain and enhance consumer demand for, and confidence in diamonds.

E

ESG

Environmental, Social, and Governance refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business. These criteria help to better determine the future financial performance of companies.
Source: Wikipedia

H

TERM	DEFINITION
HUMAN RIGHTS WATCH	Human Rights Watch investigates and reports on abuses happening in all corners of the world.
ICA – INTERNATIONAL COLOURED GEMSTONE ASSOCIATION	The International Coloured Gemstone Association (ICA), a non-profit organisation, is the only worldwide body specifically created to benefit the global coloured gemstone industry.
ISEAL ALLIANCE	Global membership association for credible sustainability standards.
OECD DUE DILIGENCE GUIDANCE	A collaborative government-backed multi-stakeholder initiative on responsible supply chain management of minerals from conflict-affected areas.
MULTI STAKEHOLDER STEERING GROUP (MSG)	Implementation programme for the OECD Due Diligence Guidance.
PACT	A nonprofit international development organisation founded in 1971, Pact works on the ground in nearly 40 countries to improve the lives of those who are challenged by poverty and marginalization.
RJC CHAIN OF CUSTODY STANDARD	The RJC Chain-of-Custody (CoC) Standard defines an approach for companies to handle and trade gold, silver and platinum group metals in a way that is traceable and responsibly sourced. CoC certification is voluntary and complements certification against the RJC's Code of Practices (COP), which is mandatory for all RJC members.
SAI – SOCIAL ACCOUNTING INTERNATIONAL	A global non-governmental organisation advancing human rights at work.
SUSTAINABLE DEVELOPMENT GOALS	United Nations set 17 sustainable development goals (SDGs), which are an urgent call for action by all countries to recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

I

O

M

P

R

S

T

U

W

TERM	DEFINITION
THEORY OF CHANGE	Theory of Change defines the desired long-term impacts, and how an organisation's activities can lead to the achievement of those impacts by mapping the causal pathways and the intermediary outcomes.
THE PLUMB CLUB	A responsible supply chain organisation whose purpose is to connect its members and their customers.
UN GUIDING PRINCIPLE ON BUSINESS AND HUMAN RIGHTS	A set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations.
UN GLOBAL COMPACT	A voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals.
UNECE - GENDER RESPONSIVE STANDARDS INITIATIVE	United Nations Economic Commission for Europe (UNECE) has designed a gender responsive initiative, providing a practical way forward for standards bodies wishing to take a step towards making the standards they develop and the standards development process they follow gender responsive.
UFBJOP - UNION FRANÇAISE DE LA BIJOUTERIE, JOAILLERIE, ORFÈVRERIE, DES PIERRES & DES PERLES	A organisation which brings together all the parties involved in the French jewellery, goldsmith, precious stone and pearl industry.
WOMEN EMPOWERMENT PRINCIPLES	Designed by UN Global Compact and UN Women, and are adapted from the Calvert Women's Principles® to empower women in the workplace, marketplace and community. The Principles emphasise the business case for corporate action to promote gender equality and women's empowerment.
WDC - WORLD DIAMOND COUNCIL	An collaboration of industry, country and financial representatives to develop, implement and oversee the prevention of exploitation of diamonds for illicit purposes such as war and inhumane acts.

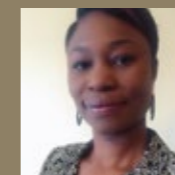
LEAD WITH PURPOSE

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