



RESPONSIBLE
JEWELLERY
COUNCIL

WHAT
SUSTAINABILITY
MEANS RIGHT NOW

11 MARCH 2024

By 2025, 20-30% of global fine jewelry sales will be influenced by sustainability considerations from environmental impact to ethical sourcing practices.

This is equivalent to as much as \$110 billion, which is a 3-to-4-time increase in sustainability-influenced purchases since 2019.



Agenda

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01

Who are the Responsible
Jewellery Council?

THE RESPONSIBLE JEWELLERY COUNCIL

We are the world's leading standard-setting organisation for the jewelry and watch industry founded in 2005 by 14 member organisations. We bring together over 1800 companies of all sizes, across the global watch and jewelry supply chain, from retail to mining.

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





WHAT WE DO

We work to ensure that responsible standards are upheld right across the global jewelry and watch supply chain.

The RJC team is responsible for maintaining and managing the standards. We ensure that our approved auditors effectively assess and confirm compliance with these standards. Subsequently, we issue certifications to members once the necessary due diligence is satisfactorily completed.

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.



RJC & THE PLUMB CLUB

In September 2019, the Plumb Club became the first trade association to require its members to follow the RJC Code of Practices, after Plumb Club members voted for all new and existing Club members to join the Responsible Jewellery Council.

The Plumb Club have a strong purpose and connect their members and their customers and help shape the future of the jewellery industry.

Global reach of the RJC 1843 members in 71 countries



Members in the USA

KEY

● Retailer members in the US

● Total members in the US



02

What is sustainability?

RESPONSIBLE

A broad set of practices that consider the impact a company has on the environment, society and its wider stakeholders.

ETHICAL

An ethical business will have clear moral principles and values, including transparency, fairness and in a respect for Human Rights.

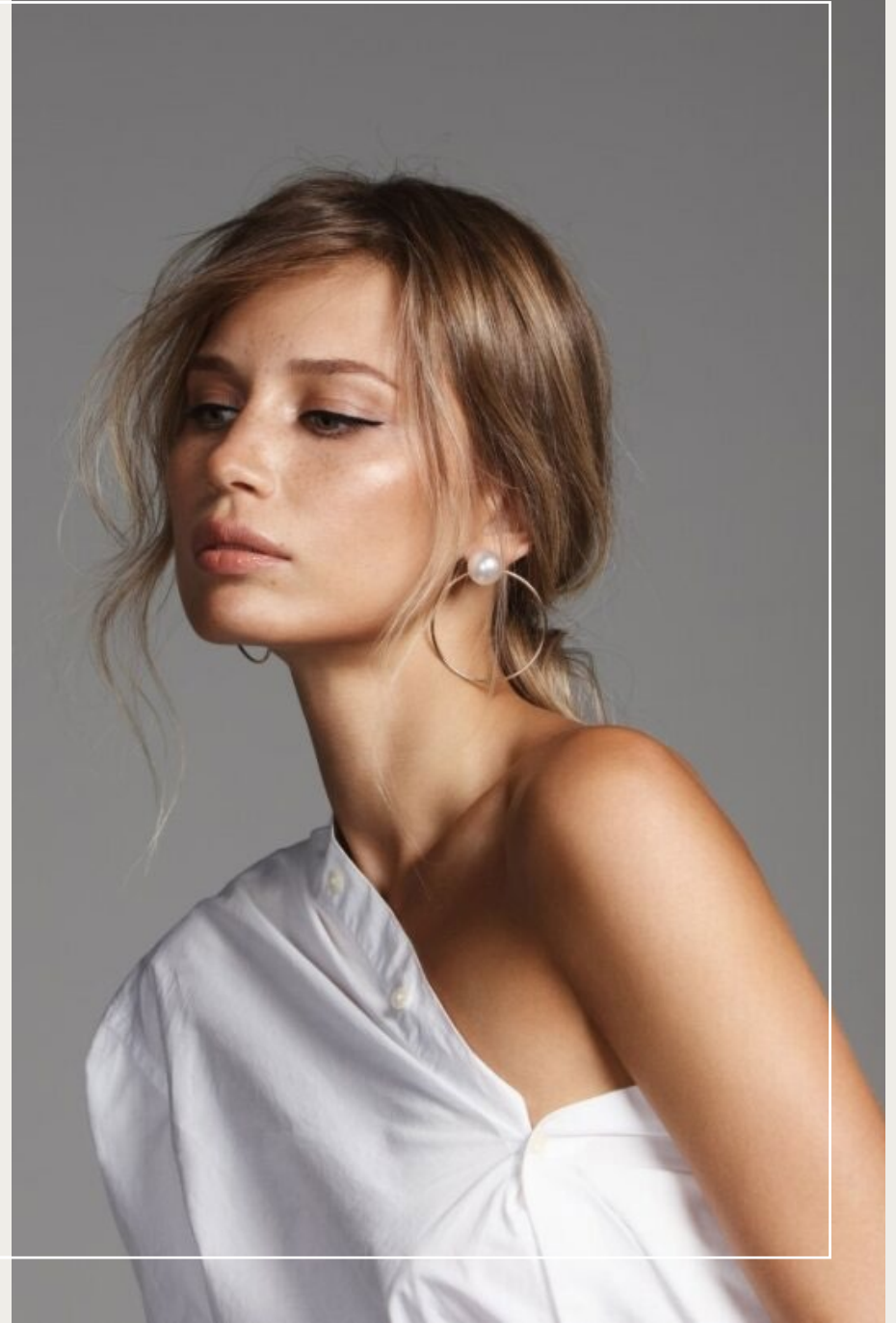
SUSTAINABLE

Sustainability in business focuses on meeting present needs, without comprising the ability of future generations to meet their needs.

WHAT IS SUSTAINABILITY?

“Sustainability” and “responsible businesses practices” are not new terms, but their use and the actions these terms refer to has become the new norm. In some countries there has been a progressive approach to include sustainability under corporate law and it is becoming mandatory.

Sustainability is an umbrella term for these topics and recognizes the benefits for organizations that adopt such practices such as higher motivation and productivity amongst employees, enhanced reputation and access to global markets.





WHAT IS SUSTAINABILITY?

There are different approaches to implementing sustainability. Implementing sustainability is a step-by-step approach and it is a process of continuous improvement over time. It is moving your organization beyond compliance.

For retailers, impacts and influence will include not only your own direct actions but also those of your supply chain where you can still influence good practices by communicating your expectations and review how these are met.

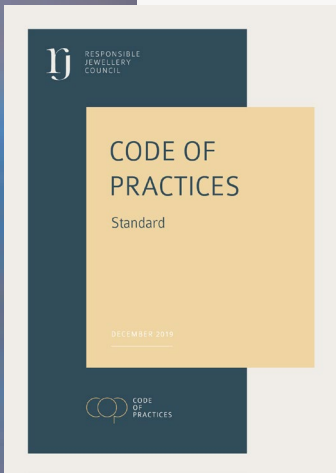
MOVING TOWARDS IMPACT

- Many organisations are now moving beyond compliance.
- Sustainability reporting is mandatory in many countries, and RJC members are required to report annually on a variety of key topics.
- The consumer expects this of an organisation, you need consumer buy in on your organisation and impact.

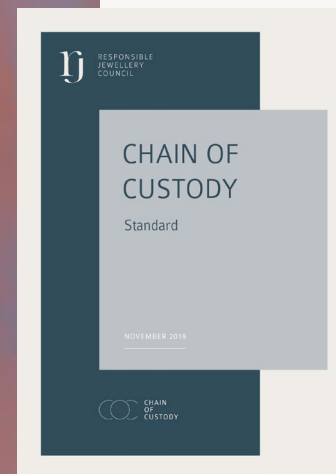




The RJC Code of Practices provides a common standard for ethical, social, human rights and environmental practices, and COP certification is mandatory for all RJC commercial members.



The RJC Chain of Custody defines an approach for companies to handle and trade gold and platinum group metals in a way that is fully traceable and responsibly sourced. Which includes mined, grandfathered or recycled materials.



03

Evolving requirements



EVOLVING LEGISLATION

- More countries are adopting modern slavery, due diligence, and transparency laws.
- The global regulatory environment is also evolving to enforce corporate responsibility requirements.
- As recently demonstrated by the G7 Russian Diamond Import Restrictions, there are continually evolving legislative requirements.

G7 Import Restrictions for USA

SCOPE	Non-industrial rough and polished diamonds of 1.0 carats or above.
REQUIREMENTS	Such diamonds imported into a Foreign Trade Zone (FTZ) will require a self-certification statement (uploaded to the Automated Commercial Environment (ACE) Document Image System (DIS)).
EVIDENCE	No specific documentation has been listed, but RJC members are advised to maintain documented proof prior to issuing an attestation.



04

The new consumer



THE NEW CONSUMER

Gen Z are set to replace millennials as the dominant consumer and buyer for jewelry purchases in the next decade. It is important for businesses to understand the transforming spending habits and values of the new consumer.

It is no longer enough to produce beautiful jewelry and attract customers through costly marketing campaigns. The new consumer values ethics, authenticity, and social justice.

- **47%** of Gen Z would not buy from companies whose values did not align with their own – Do Something Strategic
- “Gen Z typically spends more time researching their purchases, investing in long-lasting products.” – Rapaport
- Vivienne Westwood unboxings on TikTok: So many people bought the [brand’s] pearl choker necklace that it has been dubbed the “TikTok necklace.” – Rapaport





- Digital natives: **56%** of US Gen Z prefer to shop online than in-store – GWI
- **55%** of Gen Z consumers surveyed in 2023 were worried about climate change, **25%** are unsure of what features to look for and **18%** viewed a lack of trust in sustainable product claims as a barrier for sustainable purchasing.
- To reach and retain Gen Z consumers for the long term, “values” are more important than low prices – Euromonitor International

05

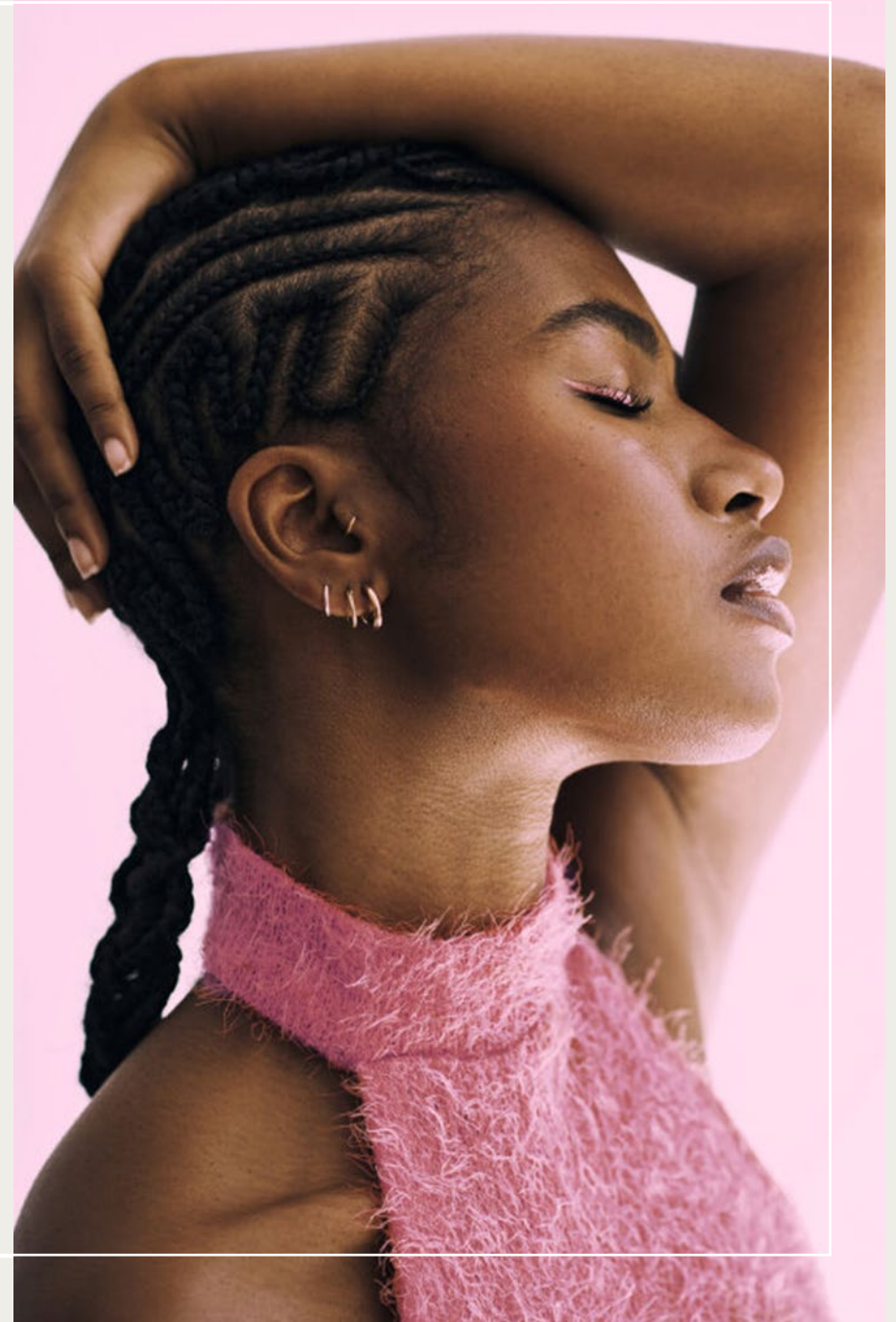
Building business resilience



BULDING BUSINESS RESILENCE

- Legislation, sustainability and the consumer is constantly evolving, and businesses need to prepared to adapt evolve with them.
- Responsible business practices can help a business build for the future.
- NU Order have projected that Gen Z consumers will usurp millennials as the top group of jewelry buyers within the next decade.

- The areas that companies should consider range from sustainability to the new consumer to legislation.
- Embrace your existing relationships, leverage and learn from your own peers, stakeholders and employees.
- Reflect on your impact, as expected by the Gen Z consumer.
- Access relevant resources through the RJC, OECD, UNGC, The Plumb Club websites and The Plumb Clubs dedicated Jewelers Resource Center.



06

Closing remarks



CLOSING REMARKS

- Companies should embrace change, keeping up to date and ensuring they're not left behind.
- Gen Z are already on track to overtake millennials as the top jewelry consumer within the next decade.
- You don't have to do everything at once but always consider what's coming next.
- The new consumer buys into a business's values, they want to buy in to your universe, so embrace and tell your own story, it's unique and only you can tell it.



RESPONSIBLE JEWELLERY COUNCIL

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



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