



BACKGROUND ASSESSMENT

An assessment of material sustainability issues,
emerging risks and opportunities,
and the Responsible Jewellery Council's
strategic sphere of influence

JULY 2026



RESPONSIBLE
JEWELLERY
COUNCIL

This document has been developed to meet the requirements of clause 1.2 in the ISEAL Code of Good Practice for Sustainability Systems.

The Responsible Jewellery Council undertakes ongoing assessment of the sustainability context in which it operates in order to inform its decisions on sustainability outcomes, impacts and strategic priorities. As per ISEAL requirements, this background assessment considers the most important sustainability issues across RJC's geographic and sectoral scope, emerging risks and opportunities, potential unintended negative effects of the RJC system, and the areas in which RJC is and is not well placed to exert influence.

1.0

KEY SUSTAINABILITY ISSUES WITHIN RJC'S GEOGRAPHIC AND SECTORAL SCOPE

Key issues related to the RJC standards scope are identified during our standards development procedure via a number of resources, including our issues log, Standards Committee input, legislative or market changes, and stakeholder engagement via consultations.

As a result of this procedure, RJC has identified the following sustainability issues as most material within scope:

Responsible Supply Chains and Human Rights

- Risks related to conflict-affected and high-risk areas.
- Money laundering and financing of terrorism.
- Risks associated to sourcing from ASM, such as poor health and safety, environmental impact and forced/indentured labour.

Labour Rights and Working Conditions

- Risks of worst forms of child labour, forced/bonded labour, and poor/dangerous working conditions.
- Freedom of association, fair wages and working hours.
- Discrimination and gender inequality.

Health, Safety and Environment

- Environmental degradation including land clearance, water pollution, riverine systems impacts, biodiversity loss, and waste management challenges.
- Use of hazardous substances including mercury and cyanide in mining contexts.

These issues inform the key provisions within the RJC mandatory standards, namely the Code of Practices and the Laboratory-Grown Material Standard, and they vary in severity and prevalence across geographies, material type, and positions within the supply chain.

1.1

GENDER-RELATED TRENDS, RISKS AND OPPORTUNITIES

The RJC has undertaken a range of activities to better understand gender-related trends, risks and opportunities within the jewellery and watch supply chain and to develop interventions capable of delivering positive gender outcomes. This work evolved through a continuous cycle of research, standards development, implementation and evaluation.

The Gender Equality Report, published in 2021, identified and analysed gender-related trends, risks, barriers and opportunities across the jewellery value chain. The report established the evidence base for RJC's gender equality work and highlighted a number of material issues affecting women throughout the sector.

The report identified that:

- Women drive approximately 90% of jewellery demand but face persistent barriers throughout the value chain
- Women are often concentrated in lower-paid and lower-skilled roles in many parts of the industry.
- Women remain underrepresented in leadership roles and decision-making positions.
- Women in ASM face barriers to land ownership, finance, training, leadership opportunities and formal participation.
- Gender-based violence and harassment are barriers to participation and economic empowerment.

Based on these findings, the RJC developed the Gender Equality Toolkit, published in 2022, to translate identified risks and opportunities into practical interventions and member guidance. This toolkit serves as a key implementation resource, providing members with the guidance to act upon the gender-related issues in their supply chains. The toolkit was developed to support members in embedding gender equality considerations into their business practices and to contribute towards improved gender outcomes throughout the sector.

In parallel, the RJC integrated a stronger gender lens into 2019 Code of Practices (COP) update. While some provisions directly address gender-related issues, such as non-discrimination and harassment, others address underlying factors that can disproportionately affect women, including working conditions, grievance mechanisms and community engagement. Key 2019 COP provisions incorporating gender dimensions include:

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

These provisions establish baseline expectations for responsible business practices and support the identification and management of gender-related risks throughout member operations and supply chains.

To assess the effectiveness of these interventions and better understand ongoing challenges and opportunities, in 2023 the RJC commissioned an independent evaluation titled 'The Impact of the RJC's Code of Practice on Gender Equality', written in collaboration with the Sustainable Minerals Institute at the University of Queensland. The research evaluated the influence of the updated 2019 COP provisions, as well as RJC's wider gender equality initiatives, on member practices and workplace outcomes.

The findings of the evaluation continue to inform RJC's understanding of gender-related risks and opportunities and support the ongoing refinement of strategies, guidance and member-engagement activities aimed at delivering gender positive outcomes across the jewellery and watch supply chain.

Gender Equality, Labour Rights and Worker Protections in COP 2024

The 2024 Code of Practices introduces new and strengthened requirements relevant to gender equality, inclusion and worker protections. Key developments include the introduction of a standalone Diversity, Equity and Inclusivity (DEI) provision (COP 23), expanded non-discrimination protections, and strengthened requirements for rights-compatible grievance mechanisms. The COP identifies DEI and grievance mechanisms among the significant additions introduced through the 2024 revision process.

Diversity, Equity and Inclusivity (COP 23)

COP 2024 introduces a new standalone DEI provision applicable to all members. Members are required to:

- Maintain a publicly available DEI policy approved by top management.
- Promote diversity, equity and inclusivity across recruitment, professional development, mobility and employment conditions.
- Implement supporting procedures and measures.
- Provide worker training on DEI.
- Periodically review the effectiveness of DEI policies and procedures.

Non-Discrimination and Equal Opportunity (COP 22)

COP 22 prohibits discrimination in hiring, continued employment, remuneration, overtime, access to training, professional development, promotion, termination and retirement. Protected characteristics explicitly include gender, pregnancy status, parental status and marital status.

Labour Rights and Working Conditions

COP 2024 reinforces labour-related requirements across employment terms, remuneration, harassment and discipline, grievance procedures, freedom of association, non-discrimination and DEI through COP provisions 15-23.

The non-discrimination provision applies to recruitment, remuneration, training, professional development and promotion, extending protections to areas where workplace inequalities can arise.

Pregnancy and Parental Status

COP 2024 explicitly includes pregnancy status and parental status within its non-discrimination requirements. These protections apply to recruitment, continued employment, remuneration, training, promotion and professional development.

Harassment, Grievance Procedures and Non-Retaliation (COP 18)

COP 18 requires members to maintain processes relating to harassment, discipline, grievance procedures and non-retaliation, supporting workers' ability to raise workplace concerns without fear of retaliation.

Rights-Compatible Grievance Mechanisms (COP 2.6)

COP 2.6 requires members to establish grievance mechanisms that are:

- Consistent with internationally recognised human rights standards.
- Accessible and publicly communicated.
- Culturally appropriate and understandable.
- Equitable, predictable and transparent.
- Protective against retaliation.
- Capable of timely investigation and resolution.
- Supportive of access to external judicial and non-judicial remedies.

The revised guidance document specifically refers to gender discrimination when considering remedies and notes additional resources that may be required when addressing gender-related grievances.

2.0

EMERGING SUSTAINABILITY RISKS AND OPPORTUNITIES

RJC also monitors emerging sustainability risks and opportunities that may affect its relevance and effectiveness:

Emerging risks:

- Increasing regulatory requirements related to human rights due diligence, climate disclosure, materials provenance, and supply chain transparency.
- Heightened expectations from civil society and consumers regarding traceability and demonstrable impact.
- Fraudulent or misleading claims about products or practices including in relation to traceability and greenwashing risks.
- Changing global geopolitical contexts and risks, leading to increased illicit flows of high value materials for financing, with particular regard to conflict affected and high-risk areas.
- Increased consumer interest and demand in sustainability resulting in increased use of sustainable claims and resulting greenwashing risks.

Emerging opportunities:

- Advances in traceability technologies and incentives.
- Growing alignment between voluntary standards and legislation on responsible sourcing topics, such as mandatory due diligence.
- Increasing interest from consumers in responsible sourcing, resulting in industry movement towards responsible practices as a market differentiator.
- Increased credibility from the transfer of certification and approval/accreditation processes to independent third parties.

3.0

POTENTIAL UNINTENDED NEGATIVE EFFECTS OF THE RJC SCHEME

RJC recognises that its activities can lead to unintended negative effects. Through consultations with our Standards Committee in 2018 and 2025 we identified the following potential consequences:

- Increasingly complex standards and requirements may disproportionately affect smaller scale operators such as SMEs and may create a barrier to participation or lead to resignation.
- Without adequate safeguards and inclusive engagement, standards may unintentionally reinforce existing power imbalances and limit participation by smaller, women-led, or marginalised stakeholders.
- As the RJC raises its standards to maintain relevance and best practice, it risks setting expectations so high that supply chain actors most in need of improvement are excluded; yet setting the bar too low risks certifying “business as usual” and enabling greenwashing.

- Over-reliance on audits can reinforce a “tick-box” culture, contributing to audit fatigue and diverting attention from continuous improvement.
- Applying global requirements uniformly may unintentionally overlook local realities, create administrative burdens, or fail to address context-specific risks. Alternatively, applying requirements with differing expectations may result in unequal or favoured sourcing practices and result in local impacts (e.g. less engagement from ASM in favour of recycled sourcing).

RJC seeks to mitigate these risks through phased implementation, guidance materials, toolkits, grievance mechanisms, regular auditor training and calibration and engagement with stakeholders.

4.0

RJC'S AREAS OF INFLUENCE AND LIMITATIONS

RJC has assessed where it is well placed to exert influence and where its leverage is more limited. Much of this influence takes place through the implementation of the RJC standards and guidance by RJC members.

Areas where RJC is well placed to exert influence:

- Setting global baseline expectations for responsible business practices in the jewellery and watch sector.
- Influencing company policies, processes, and management systems through certification and assurance against the standards.
- Facilitating alignment with international best practice and regulatory frameworks.

Areas where RJC has more limited influence:

- Broader structural issues such as poverty, community development or weak rule of law in some producing countries.
- Government policy and regulation.
- Market dynamics beyond member participation and engagement with RJC standards.
- Influencing responsible sourcing practices and RJC compliance for companies beyond RJC membership.