RJC COP - 2021
Annual Report

August 2022

RUBEL & MÉNASCHÉ

Rubel & Ménasché was very prompt to commit to the Responsible Jewellery Council as we were convinced that deep changes to the value chain would need everybody to commit to very high standards. The House was therefore in the first 5 to be certified at first in 2011.

Our re-certification ten years later according to the 2019 Code of Practices reiterates our desire to always progress and meet a higher level of requirements.

This first RJC progress report demonstrates our commitment to transparency. The actions that have been or that will be implemented reflect the House's ongoing commitment to improving our practices and those of our partners.

Contents

COP Certification

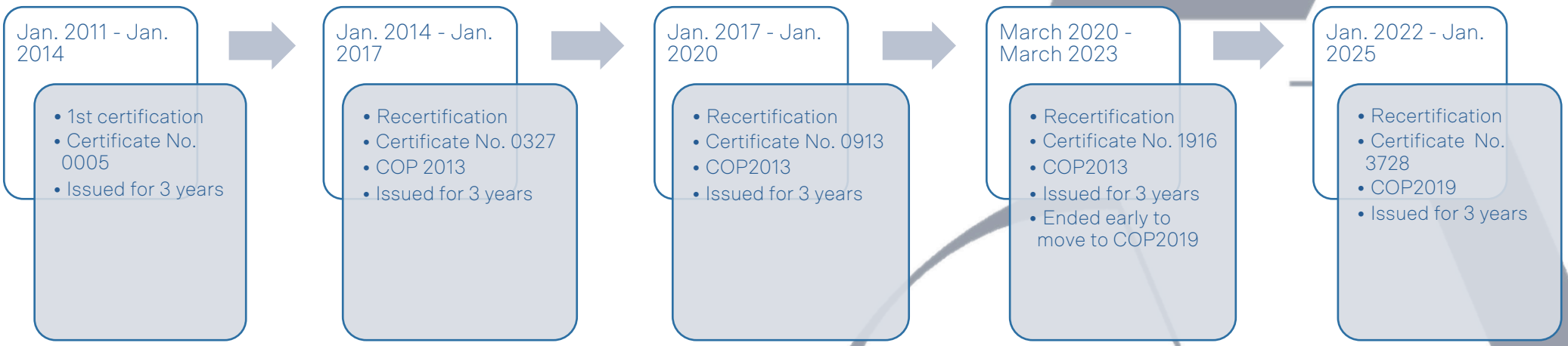
- Timeline
- Significant events

Due Diligence

- Human rights
- KYC and money laundering / financing terrorism
- Responsible procurement

COP Certification – *Details*

Timeline



⇨ More information on the RJC website: Rubel & Ménasché • Responsible Jewellery Council

Significant events

- The House implemented a management system in 2021 to have a global approach to risks. This system is based on a risk matrix, whether the risks are fundamental (human rights), business (procurement in CHARAS) or even regulatory (money laundering or financing terrorism). This matrix identifies the risks, assesses them and lists the actions that can be taken to cover them or at least to mitigate the negative impact. The commitment underlying this system is described in our Due Diligence Policy.

⇨ *Out of the thirty risks identified in this first matrix, two risks have a high residual risk with a priority action plan.*

- The Ethical Charter that prevailed until then became a Code of Conduct, to clearly define the House's expectations and requirements. At this point, it was enriched and updated with new obligations.
  New policies were implemented based on this Code of Conduct, such as the Responsible Procurement Policy or the Due Diligence Policy; others were updated and refined, such as the Corruption Prevention Policy or the Gifts and Hospitality Policy.

- The House implemented a Whistleblowing Procedure in September 2021. It is available on our website: Rubel Speak Up

- Finally, a Compliance Officer was appointed to embody this new system.

Due Diligence

Human rights

We endeavour to only work with RJC-certified suppliers to minimize the risk that human rights are not respected. For those who are not certified, the House has implemented a diligence questionnaire that includes enhanced questions on human rights, and health and safety in the workplace.

We also monitor the global peace index and corruption perception index indicators for the countries where our suppliers operate:

	Global peace index	Corruption perception index
India	2.553	40
Belgium	1.496	76
Israel	2.633	60
Hong Kong	2.114	77
Canada	1.330	77

For the specific cases of India or Israel, the companies we work with are:
- 98.1% RJC-certified suppliers,
- 1.8% suppliers that are not certified themselves, but are part of a corporate group that is RJC-certified,
- and 0.1% not RJC-certified at all.

We are talking with the latter to steer them towards the certification process.

Finally, we mostly work with partners that we have known for a long time, with whom we have a strong commitment and whom we regularly visit. We have worked with our suppliers for 5 years as an average, and for the oldest, this is nearly 10 years.

⇨ *We have not identified any red flags regarding any of our suppliers.*

Money laundering and financing terrorism

The Anti-Corruption Policy that came into being around 4 years ago was reviewed and refined in 2021. All staff members took a training course on this theme based on this policy and the Code of Conduct.

Due to the strength of its convictions, the House also participated with other Houses to represent the luxury sector in the audit of France by the FATF (Financial Action Task Force) in July 2021. It also represented the sector for an audit conducted by the European Commission regarding the 4th Anti-Money

Laundering Directive (4AMLD).

⇨ *No red flags nor points for particular attention were raised by the KYC process risk matrix.*

Due diligence and responsible procurement

In terms of the risks related to our supply lines, we have implemented a responsible procurement policy that follows the recommendations of the OECD (OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct) to have a sound and methodological approach. These procedures are based equally on declarations, risk mapping for our suppliers, systematic extensive questionnaires focussed on due diligence, accompanied by supplementary interviews where necessary, a Supplier Code of Conduct that applies to everybody and on-site audits, depending on the risks we identify. The first building block of our approach is founded on the fact that we work with suppliers that we have known for a long time, and with whom we have built real partnerships over the years.

Supplier risk mapping

Identifying the sustainability of the supply chain and compliance with human rights, ethical principles and integrating the risks in the House's global risk mapping.

Analysing documents

Examining our suppliers' performances based on the available certifications.

Assessing suppliers

Interviewing suppliers based on a questionnaire. A more detailed questionnaire if the suppliers are not certified for following social, environmental or business ethics standards.

Regular inspections and audits

Regularly visiting sites to see the facilities, and to discuss current affairs and the issues faced by the sector.

Supplier commitment

Getting suppliers to commit to a continuous improvement approach.

Due to the health crisis, it has not been possible to carry out any on-site visits. However, two remote audits were conducted.

As for the results for 2021, we received the answers to the 13 questionnaires sent to our partners. Two of them required telephone interviews to further our understanding of the answers we received.

⇨ *No red flags were raised as a result of this campaign.*