# 2022 Sustainability Report





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### INTRODUCTION

Page Neal and Anna Bario started Bario Neal jewelry in 2008 to bring together a social and environmental mission with their creative vision in jewelry. Today this is ever more critical, and we are happy to release our second bi-annual Sustainability Report to crystalize and quantify our impacts and our commitments. Working towards beneficial social and environmental practices is a continual process of learning.

Here's how we work.

#### HEIRLOOM & RECYCLED

Reuse, repurpose & source what's already on the surface.

By repurposing gemstones— be it from the family jewelry box or post-consumer stock— Bario Neal's use of heirloom and recycled diamonds and gemstones averts the environmental impacts

of gemstone mining and lab-grown diamond manufacturing. Both options work as a sustainable means of breathing new life into already beautiful, quality diamonds and gems.

#### BESPOKE PRODUCTION

Bespoke production not only ensures that each of our customers receives a custom, made-to-order piece of jewelry, but that product waste is kept to a minimum. In an industry where overproduction is in abundance, Bario Neal works adheres to a model of creating only as much as we sell.

#### CRAFTED QUALITY

By creating jewelry that is

meant to last, forged with the highest quality materials, Bario Neal's designs are intended to last beyond a lifetime. They are heirlooms for generations to come.

#### ARTISANAL JEWELRY

produced.

While the word "artisanal" gets thrown around an awful lot by manufacturers and companies across industries, Bario Neal defines responsible sourcing as investment in the people and the places we source from, including artisanal and small-scale miners. The true cost of newly mined jewelry materials considers the communities and ecosystems where they are sourced and

### BARIO NEAL JEWELRY IS





#### **RESPONSIBLY SOURCED**

Whether it be from our Code of Conduct or Eight-Step Supplier Evaluation Process, Bario Neal works tirelessly to evaluate and compare our suppliers, ensuring that your jewelry is made with the most responsible materials possible.

#### TRACEABLE

We gather as much information as possible –and can't wait to tell you– about the mines, miners, cutting facilities and every step that goes into our hands-on mine to market sourcing process.

#### COMMITTED

Sustainability is a constant work in progress, and the lens through which we make decisions is always changing and improving. We are a learning organization, and are open to changes as they come. We believe that fair labor practices and environmental responsibility are integral to every aspect of our business.

### IN 2021-2022, BARIO NEAL...



INCREASED OUR USE OF FAIRMINED GOLD BY 93%

since our last report, and by 155% between 2021 and 2022.



INTRODUCED CLIMATE NEUTRAL LAB GROWN DIAMONDS

that are SCS Certified Sustainability Rated.



ACHIEVED A SELL THROUGH RATE OF 95%

Bespoke, customized craft means low waste. We create only what we sell.



#### DONATED 13%

of profits non-profit organizations serving our core impact areas (Responsible Sourcing, Inclusivity, Women's Empowerment).



#### MINE TO MARKET TRANSPARENCY

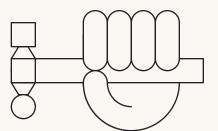
Evaluated our entire colored gemstone supply chain, for country-level or better, including mine of origin or traceability to the individual miner.



#### SET OUR PRIORITIES FOR 2023-24:

Product circularity resale & recycling program, Climate Neutral certification, and deeper partnerships with women in artisanal mining and mercury elimination.

### RESPONSIBLE SOURCING AT BARIO NEAL



#### CODE OF CONDUCT

Our Code of Conduct is rooted in the United Nations Sustainable Development Goals. While we cannot enforce that our suppliers adhere to each element of the Code of Conduct, it communicates our expectations and goals for collective continual improvement over time.

> Our CoC includes: Legal Compliance Ethics and Integrity Management Systems Child Labor Forced of Compulsory Labor Health and Safety Discrimination Disciplinary Practices Working Conditions Living Wages Responsible Sourcing Environmental Responsibility

#### SUPPLIER EVALUATION PROCESS

#### ONE

Suppliers review and sign our Code of Conduct. TWO

Bario Neal screens each supplier on key aspects of the Code of Conduct.

#### THREE

Suppliers are assessed on legality, anti-money laundering program, management systems, sourcing practices, environmental performance, and other key criteria.

#### FOUR

Bario Neal requests supporting evidence for the claims and responses made by the supplier in these interviews. This information is captured in a standardized Provenance Profile.

#### FIVE

Bario Neal evaluates suppliers' responses and categorizes suppliers based on available information.

#### SIX

Bario Neal follows up on any identified actions from the initial supplier interview and creates a schedule to reevaluate suppliers based on perceived level of confidence in their responses.

#### SEVEN

Suppliers responses are collectively assessed to inform sourcing decisions. Bario Neal increases material sourcing from suppliers that rate Green and Yellow, and eliminates suppliers rated Orange and Red.

#### EIGHT

Bario Neal shares its supplier performance with its annual Sustainability Report.



### ASSESSMENT PROCESS

Bario Neals works directly with our suppliers to help improve our mutual growth as responsible businesses. Our Supplier Evaluations were completed for the first time in 2019, setting the baseline for our current practices and helping us to best understand our own goals for continual improvement. We prioritize evaluating our three primary materials:

DIAMONDS
PRECIOUS METALS
GEMSTONES

WE CONSIDER A NUMBER OF FACTORS IN OUR SUPPLIER EVALUATION PROCESS.

These include the size and location of the company, number of years in business, the type of material being sourced, the claims being made about the material, compliance with required legal policies, and the suppliers' willingness to answer our questions and share supporting documentation where they can, among other factors.

Our ability to evaluate suppliers is based on their capacity and willingness to voluntarily provide information. Ideally, Bario Neal aims for a supplier confidence level in which suppliers can provide verifying evidence for all claims made. This is unfortunately not the case for all materials.

As the industry grows its capacity for oversight and Bario Neal deepens its understanding of our suppliers' capacity, we expect that, over time, our suppliers will be able and willing to share more detailed information— and supporting documentation- about their supply chain practices. expect that, over time, our suppliers will be able and willing to share more detailed information— and supporting evidence— about their supply chain practices.

### BARIO NEAL OPERATES ON THESE CORE VALUES





Bario Neal stands for the inherent human rights of every person as detailed in the Universal Declaration of Human Rights.

#### HUMAN RIGHTS

Bario Neal is committed to dismantling stereotypes of the wedding industry and empowering the rights of LGBTQIA+ and all peoples' right to love and marry who they choose.

We stand for the rights of all people in all nations to work voluntarily, with dignity, in safe conditions, and their right to fair compensation. We expect our suppliers to honor these essential rights through proper management of their businesses and instilling practices that work to establish, implement, and monitor practices supporting safe working conditions, equal pay for equal work, and each persons' right to work by their own volition.



#### TRANSPARENCY & RESPONSIBILITY

We have a duty to evaluate, acknowledge, and address the social and environmental impacts of our business. The jewelry industry has traditionally operated with opacity at the cost of those most vulnerable in our supply chains. We are committed to evolving transparency within the jewelry industry, and work with our suppliers to continually improve access to information about the environmental and social impacts of our materials from the time they are mined until they reach our customers.



All business interactions should be done honestly, with integrity.





Our priorities for 2023-24 include a circularity and resale program, as well as Climate Neutral certification.

#### ENVIRONMENTAL IMPACT

Our commitment to responsible management of our environmental impact is enacted through a commitment to sourcing recycled and heirloom materials and sourcing newly-mined materials only from suppliers that work to minimize mining's environmental impact, use and dispose of chemical substances responsibly, and institute a plan to recuperate natural environments after mining has concluded. In our studio, offices, and showrooms, we established policies to minimize our waste and measure our carbon output and water usage.



At our Philadelphia studio, we infuse integrity and care into each piece of jewelry. From sourcing materials carefully and responsibly, to honoring the craft and tradition of jewelry made by hand, we believe jewelry is more than adornment, it is also a medium through which we can work to advance the well-being of all people.

Our founders serve as members of the Board of Directors for Ethical Metalsmiths, the Jewelry Industry Summit, as well as local arts and environmental organizations.



Bario Neal is committed to community building.

### Core Impact Areas

RESPONSIBLE SOURCING Responsible sourcing in jewelry has global implications — from mercury pollution and deforestation in the Amazon to the livelihoods of an estimated 150 million artisanal miners and their families. In this report, we aim to show the impact that responsible sourcing can have on our industry and community, even in the context of a small, independent jeweler like Bario Neal.



#### INCLUSIVITY

We make jewelry for everyone and any occasion, marriage and beyond. We do not prescribe to the ideals and stereotypes predominant in the jewelry industry— the right to love and express

### your love is foundational to Bario Neal's ethos. Our

designs are gender-neutral and size-inclusive, and we love working with customers to create pieces that celebrate and reflect their identity and experience. We want the moment of walking through our doors or starting an online appointment to feel special for everyone. All of us at Bario Neal work together to create showroom spaces that are welcoming and inclusive.



#### WOMEN'S EMPOWERMENT

- We are a women-owned, women-founded, majority women-run company.
- We make jewelry for everyone, and our client base is diverse but also predominantly female-identified.
- We support Artisanal and Small-Scale Mining (ASM) that creates opportunities for women's economic empowerment.
- Bario Neal was founded

by two women in their early 20's, entering a male-dominated industry creating products primarily for women.

• Women's empowerment supports stronger communities overall

throughout our supply chain and our client community.

 Approximately half of the ASM workforce in Africa are women. Empowerment of women throughout the supply chain can support gender equality, improve families' capacity to earn, and strengthen communities.

- We work to challenge the assumption that engagement rings are products bought by 'men' for 'women.'
- We value the cultural importance and roots of jewelry as women's armor

/ protection / financial independence.

### I CHARITABLE GIVING

IN 21-22 WE DONATED 13% OF PROFITS TO ORGANIZATIONS ALIGNED WITH OUR CORE IMPACT AREAS (AS WELL AS SOME GREAT LOCAL ORGS!):

#### ORGS SUPPORTED INCLUDE

- Ethical Metalsmiths
- Better Without Mercury
- Pure Earth
- Marange Womens' Alliance
- The Attic Youth Center
- Poise Foundation (Philadelphia Black Giving)
- Black in Jewelry Coalition
- Planned Parenthood
- ARC Southeast
- International Rescue
   Committee
- Alicia Rose Foundation
- UNICEF
- Everytown USA

### ENVIRONMENTAL IMPACTS & ENERGY USE

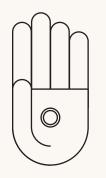
A belief in the right to love and marry whomever and

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choose

ne or une core

of our jewelry.



### ENERGY AND RESOURCE CONSUMPTION (USAGE REPORTS)

From 2021 to 2022, we were able to reduce our water use by 2% and electricity by 17% at our Philadelphia Flagship and workshop.

#### ENVIRONMENTAL IMPACTS TIED TO SOURCING PRACTICES

In the absence of studies on greenhouse gas emissions for mined gold, diamonds, and gemstones, Bario Neal is not reporting on the environmental performance of these materials at this time. While our ability to report on these impacts relies on the evolution of jewelry supply chains in terms of oversight, transparency, and measurement — we hope that reporting on this becomes achievable, and would like to be able to provide this information in years to come.





### STUDIO/COMPANY PRACTICES AND ENVIRONMENTAL IMPACTS

Committed to 2023-24 Climate Neutral Certification

Studio materials Audit- working towards improved solutions for studio needs including the elimination of plastic gem and jewelry storage.

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## ETHICAL JEWELRY MATTERS



#### WHAT IS **ETHICAL JEWELRY**

With our dedication to responsible sourcing and handcrafting ethical, sustainable jewelry, Bario Neal celebrates our many clients who look to use their purchasing power for social and environmental good. When you purchase jewelry from ethical jewelry makers like Bario Neal, you help to strengthen the artisanal and small-scale mining (ASM) sector — which directly supports 40 million people and indirectly supports 150 million miners and their families.

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#### "ETHICAL"

gemstones and metals are procured without harming people, their communities, or the environment. We believe miners, gemstone polishers, and everyone along the supply chain should be paid fairly and have safe working conditions. Ethical operations are "guided by principles that facilitate environmental and human well-being and avoid practices that do harm."<sup>1</sup>

1 Jewelry Glossary Project

#### "RESPONSIBLY SOURCED"

gemstones and metals are procured with as little damage to the environment as possible, so our planet— and everyone living on it— are healthier. All extractive industries impact the earth. This is unavoidable. By fostering moresustainable, less-harmful practices, supporting artisanal miners to produce responsibly, and utilizing heirloom or recycled gemstones and metals, we can minimize negative effects like pollution and maximize human ecological and economic growth and development.

#### MATERIAL SOURCING

Gemstone and metal mining occurs across continents, and jewelry materials travel across supply chains through dozens of countries, including those with disparate labor standards and economies. When there's a lack of government oversight or regulation, corruption, or negligence to address critical safety and mechanical issues, mining practices can result in the destruction of land and water supplies in the surrounding communities. Poorly regulated mining practices can poison rivers, destroy land, and strip areas of their natural resources, making the area uninhabitable or dangerous for those living in it.



This sounds complex — and it is — but there are many designers and artisans like Bario Neal who love to educate clients about why buying sustainable, ethical jewelry can make a difference. Whether you want to understand more about the impact of "blood diamonds or conflict diamonds" and "dirty gold," or just want to learn more where your jewelry comes from, we thoughtfully research and source our products with the intention of providing full transparency for our own materials, making it easier for our clients to understand the impact their individual purchases have on the mining industry as a whole.

Bario Neal takes our 15 years of ethical jewelry research and activism and documents our own process, interviewing dozens of our suppliers and formalizing how and when we decide to partner with new gemstone and metal suppliers.

#### LOCAL/CRAFT

Bario Neal jewelry is crafted in-house at our Philadelphia studio. This approach shortens our supply chain and reduces environmental impact, giving us the flexibility to adjust sourcing as necessary to underscore our ethics and to introduce new ideas for sustainable operations with expediency and intentionality. We can also maintain greater oversight on material origins and design our jewelry around materials with strong ethical sourcing. We believe everyone benefits when local artisans thrive.



## SUSTAINABILITY & THE JEWELRY INDUSTRY



#### TRACEABILITY

There has been significant improvement in the jewelry industry's capacity for verifiable traceability of materials from their mine of origin to our studio in the past two years. Bario Neal works with suppliers to identify supporting evidence for the provenance of materials where possible. We encourage our suppliers, to improve their processes for capturing documentation, better verifying the chain-ofcustody of their materials.

Highlights include projects like Virtu Gem and Moyo Gems which have opened markets directly from mining communities to jewelers internationally, while supporting artisanal gemstone miners in the implementation of the CRAFT Code for responsible mining.<sup>1</sup>

#### 1 CRAFT Code

#### MINING

Extracting finite materials from the earth will never be sustainable. However, millions of artisanal and small-scale miners in lowincome countries rely on mining. The global economy depends heavily on the mining industry, and so it would be difficult, if not impossible, for jewelry companies to collectively stop using and sourcing

#### new materials.

With that in mind, Bario Neal uses heirloom, recycled and reclaimed materials to minimize our environmental impact. Wherever we can, we source newly mined material from artisanal

#### and small scale mining

operations, working to support organizations that benefit individuals and their communities.

#### DEFORESTATION

Gold mining is one of the most pressing environmental challenges for both the jewelry industry and climate at large. Unregulated artisanal and small-scale mining (ASM) of gold has led, and continues to lead, to detrimental environmental impact on forests in the Amazon and, due to the frequent use of mercury, contributes large amounts of pollution to the global environment. Much of the artisanal gold mining's economy is also sustained by unregulated, unsustainable labor in poverty-stricken communities. This is why Bario Neal intentionally sources gold that is either recycled or Fairmined and supports artisanal gold mining cooperatives with environmental standards certified by an independent third party.

#### POLLUTION

"Nearly 40% of global mercury pollution comes from artisanal gold mining. Mercury is a potent, permanent neurotoxin that can poison the human body irreparably, causing neurological disorders, birth defects, and numerous other illnesses.

As an environmental contaminant, mercury is exceedingly difficult to remove. Mercury from mining pollutes our atmosphere, rivers, oceans, and the fish that millions depend on as a food source.

The effects that mercury has on these miners and their communities is devastating. Future health and environmental impacts of mercury pollution can be minimized with the eradication of mercury in gold mining." <sup>1</sup> Bario Neal sees mercury elimination as a key priority for our industry and climate. We are committed to investing in mercury free solutions for artisanal mining.



1 Mercury Free Mining



#### REPURPOSED MATERIALS

Bario Neal aims to support truly circular practices in our materials sourcing. Our suppliers provide us with certified recycled gold, however research has shown that, globally, there are vulnerabilities in recycled gold supply chains. The potential risk of informal artisanal gold entering and 'hiding' in recycled gold supply chains is always present, and Bario Neal works with our suppliers to do our part in mitigating and monitoring this risk. By using our Supplier Evaluation Process, Bario Neal ensures that our gold suppliers are doing everything in their capacity to provide us with recycled gold. We expect our gold suppliers' to strengthen their ability to verify 100% recycled content.

### Supplier Performance 2021-22

Bario Neal chooses gemstones and metals deliberately to support our values, including having a low environmental impact and supporting the social and economic well-being of the members of our supply chain.

Over the years, we have concentrated on the sourcing process for our material offerings, granting us access to the most transparent, accurate information that presently exists in our industry. The greater jewelry industry is undergoing an evolution in supply chain oversight, and Bario Neal fulfills its role in advancing this evolution through this process.

#### SUPPLIER RATINGS:

In 2021-22, we focused on extending our supplier evaluations to all our colored gemstones. We also vetted and introduced Certified Sustainability Rated Lab Grown Diamonds. Our climate neutral lab diamonds align with our commitments to sustainable and ethical jewelry practices. Our US-grown diamonds include Scientific Certification Systems (SCS) Certified Sustainability Rating.

#### 2021

100% of Suppliers Evaluated received Green Ratings,

with 4 gemstone and diamond Suppliers Reviewed. Ratings: (18), (25), (18), and (13).

#### 2022

Ratings: (21), (16), and (7) all gemstones.

The one supplier who received a Yellow categorization is being eliminated from our supply chain.

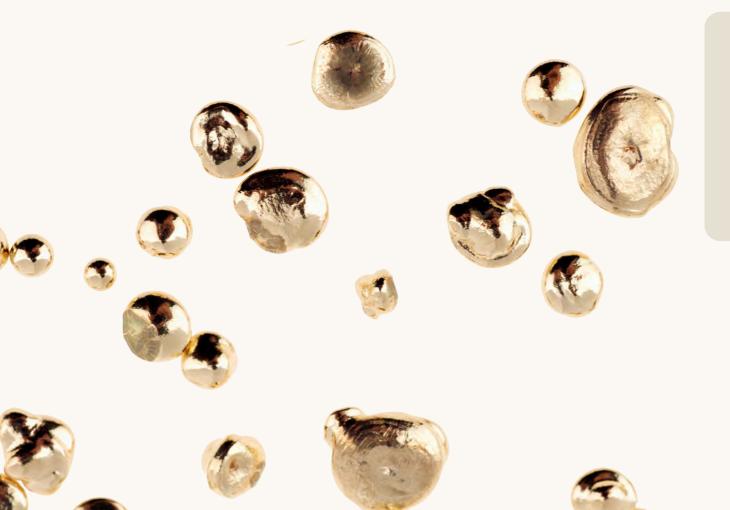
6% Yellow, with 0% rating Orange or Yellow

### 

94% of our metals and gemstones suppliers scored Green on our scale

#### METALS

Our jewelry is made with precious metals that have been carefully sourced to reflect our commitment to human rights and environmental sustainability, and all of our precious metals are 100% recycled or Fairmined certified. Bario Neal was among the first jewelry companies to participate in the Fairmined Assurance label, ensuring all participating mining organizations meet rigorous social and ecological standards. We proudly offer Fairmined gold extracted by small-scale and artisanal miners, and we work closely with U.S. refineries that minimize environmental impacts during the production of our recycled metals.

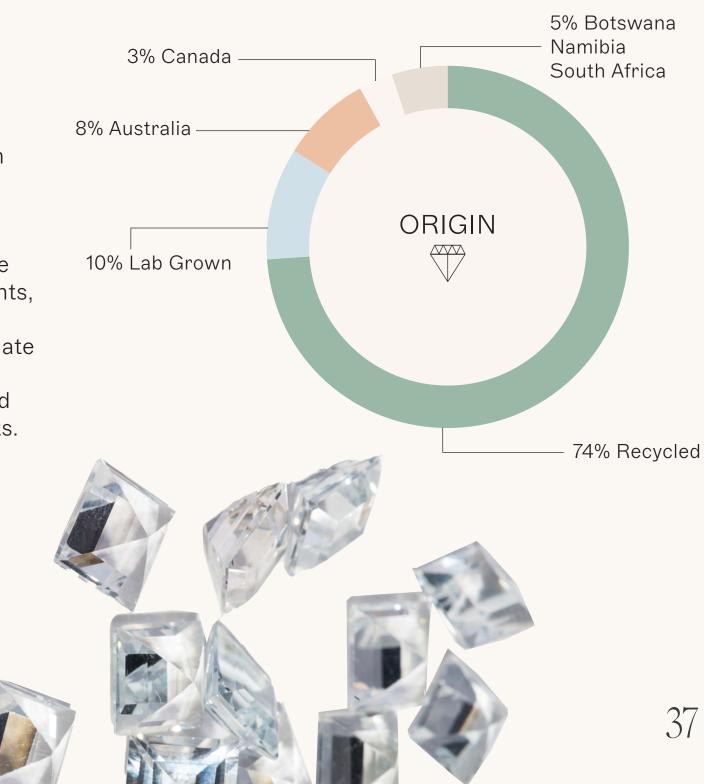


We increased our FAIRMINED GOLD PERCENTAGE BY 93%

in 2021-22 compared to 2019-20

#### DIAMONDS

Our diamonds are fully traceable and primarily of Recycled, Lab Grown, Australian, and Canadian origin. Our lab-grown diamonds are certified Sustainability Rated and adhere to comprehensive sustainability requirements, including traceability, ethical stewardship, climate neutrality, sustainable production practices, and sustainability investments.



#### GEMSTONES

Our colored gemstones are fully traceable and handled according to strict labor and environmental standards. We work with established mines in the US and globally to support new efforts in responsible artisanal mining. We recycle gemstones from old stock and repurposed jewelry, which requires no industrial processes and avoids further impact. We work with gemstones from all over the world, and many of them are sourced domestically in Arizona, Idaho, Montana and Wyoming.

#### OUR SAPPHIRES

64% Montana

18% Sri Lanka

18% Australia





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## SUSTAINABILITY STRATEGIC GOALS

Where we will be focusing our work in the coming months & years

#### RESPONSIBLE SOURCING PRACTICES

- Introduce Circularity, resale, and precious metals recycling program
- Increase Fairmined Gold sales
- Increase use of directly sourced and womenmined Gemstones
- Increase Heirloom reuse and heirloom metal use
- 100% Supplier Evaluation participation for jewelry materials

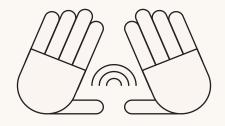
#### ENVIRONMENTAL/ SOCIAL IMPACT

- Climate Neutral Certification
- Continued education & training for our team
- Improvements in jewelry packaging
- Updated studio & workshop audit

#### CHARITABLE GIVING

Over the next two years, we'll be implementing our charitable giving plan, which focuses on our core impact areas of Responsible Sourcing, Inclusivity, and Women's Empowerment. We will target organizations that have multiple areas of impact.

> Our goal is to donate 4-10% of profits, at least 1% to each of our Impact Areas.

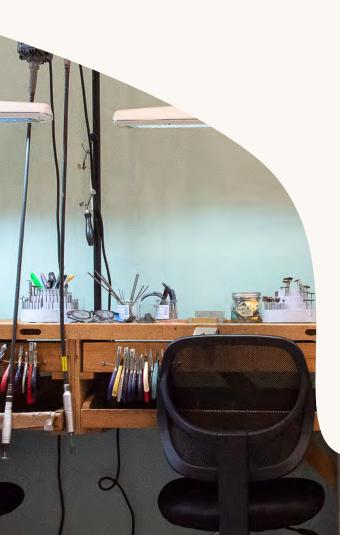


SOME EXAMPLES OF ORGANIZATIONS WE DONATED TO IN 2021-2022:

- <u>Mercury Free Mining</u>
- <u>PureEarth</u> Mercury Program
- <u>Mazzoni Center</u>
- <u>The Attic</u> Youth Center
- <u>Philadelphia Black Giving</u>
- Black in Jewelry Coalition
- <u>Marange Womens' Alliance</u>
- <u>ARC Southeast</u>

### CHALLENGES

Many of the challenges facing the jewelry industry are longstanding, including:



#### TRANSPARENCY IN THE SUPPLY CHAIN

Gold, diamonds, gemstones, and other jewelry materials are mined all over the world and travel through numerous businesses and countries before making their way to consumers. The jewelry industry's supply chain can be complex and multilayered, making it difficult to accurately trace the origin of the materials used in jewelry production. Part of the industry's traditional way of operating has been heavily based on "trust." As the industry has grown, supply chains have become more complex, and trust alone has proven insufficient for preventing severe human and environmental abuses, as well as financial crime. Without complete transparency from all those involved in the jewelry supply chain, it's difficult to know exactly where faults in the industry lie and how to address them.

#### ACCURATE AND VERIFIABLE DATA

As materials must often travel through hundreds of hands before reaching their final stage, most of the jewelry industry currently lacks the capacity to capture accurate and verifiable data on its practices. As the need for more transparent supply chains become more widely acknowledged, the industry is being encouraged to capture more information about how materials were mined, the process through which they are altered and exported, and the financial transactions that take place.

#### HUMAN RIGHTS ABUSES

The mining and production of precious metals and gemstones are often associated with human rights abuses, including forced labor, child labor, and dangerous working conditions.

#### ENVIRONMENTAL CONCERNS

Extraction and processing of metals and gemstones can have significant environmental impacts, such as deforestation, water pollution, and soil degradation. Sourcing jewelry supplies responsibly comes not only at a higher cost, but requires a concerted effort on part of both the jewelry makers and material suppliers to ensure minimal ecological effects.

#### CERTIFICATION AND REGULATION

There are various certification schemes and regulations related to responsible sourcing in the jewelry industry. However, many of them are ineffective, apply only to larger corporations, or serve to reinforce opacity in supply chains.

#### CONSUMER AWARENESS

Responsible sourcing in jewelry requires consumers to be aware of the issues involved and to actively seek out ethically sourced products. Marketing claims can be misleading and some materials that claim sustainability may be shifting economic benefit away from historically impacted communities and ecosystems.



Responsible sourcing in the jewelry industry requires an effort by all stakeholders, including governments, companies, and consumers, to address these challenges and promote ethical and responsible practices.

Thank you so much for reading, and please reach out to us with thoughts & questions.

Anna, Page, & the BN team