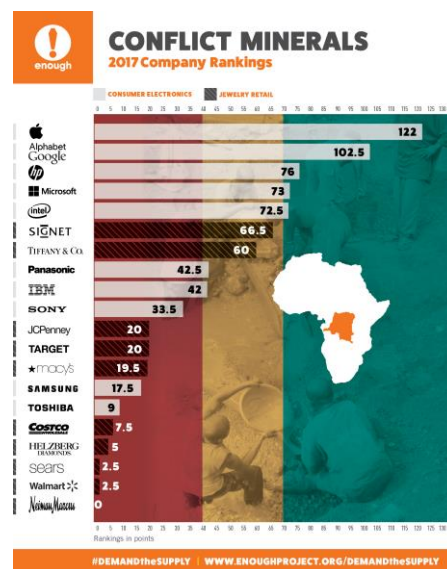


Demand the Supply: Ranking Consumer Electronics and Jewelry Retail Companies on their Efforts to Develop Conflict-Free Minerals Supply Chains from Congo

November 16, 2017

The Enough Project's 2017 conflict minerals company rankings examine 20 of the largest companies, as defined by market capitalization, in two of the industries which consume the most tin, tungsten, tantalum, and gold: consumer electronics and jewelry retail. Although a range of industries use these minerals—often referred to as conflict minerals or 3TG—Enough chose to rank these two industries in particular because they have demonstrated the potential to be catalytic in the development of new policies and practices regarding responsible sourcing, and they are also particularly attuned to consumer pressure. These latest rankings acknowledge the steady advances that have been made since Enough conducted its first company rankings in 2010 and expose the considerable and urgent need for more action.

Apple emerged as the clear leader, scoring 114 out of a possible 120 points, plus an additional eight points in extra credit. Alphabet, Google's parent company, ranks second overall, even though the company was not included in Enough's 2012 rankings because at the time they were not manufacturing consumer products containing 3TG minerals. HP, Microsoft, and Intel round out the top five companies with scores ranging from 72.5-76 points. After that group, the electronics companies take a steep dive, with the next closest company, Panasonic, only scoring 42.5 points and the lowest ranked electronics company, Toshiba, at nine points. And while Signet Jewelers and Tiffany & Co. lead the pack in the jewelry retail industry with 66.5 and 60 points respectively, companies from this industry generally lag far behind, with the remaining eight jewelry retailers scoring between zero and 20 points.



Companies were ranked based on four core categories of criteria:

1. **Conducting Conflict Minerals Sourcing Due Diligence and Reporting**
2. **Developing a Conflict-Free Minerals Trade and Sourcing Conflict-Free Minerals from Congo, Particularly Gold**
3. **Supporting and Improving Livelihoods for Artisanal Mining Communities in Eastern Congo**
4. **Conflict-Free Minerals Advocacy**

The results of these rankings indicate that top-scoring companies are enhancing their efforts with regard to sourcing conflict-free minerals from Congo; and progress in Congo's mining areas demonstrates tangible impact to which company efforts contribute. Conflict minerals have never been the only source of income or motivation for armed groups. However, the regulation of the minerals trade as a result of pressure from end-user companies and other stakeholders has contributed to a significant decrease in violence and exploitation in mining areas.

At the same time, companies and industries must be held accountable to ensure progress continues. Violence has not completely disappeared from mining areas in Congo. Even if that were to happen, there would still be a range of issues to address before a conflict-free minerals trade in Congo would be able to flourish. In particular, additional support is needed with regard to increasing the opportunities for conflict-free gold sourcing from Congo, and better supporting safe, legal, viable livelihoods in Congolese mining communities.

Other industries, including aerospace and defense, medical equipment, automotive, and banking should also join the effort to build transparency in global supply chains and create behavioral shifts that favor responsible business. Additionally, the United States, the European Union, and the Congolese government all have both unique and interdependent roles to play in maintaining and enforcing conflict-free initiatives and accountability in Congo's minerals trade. And consumers and investors must reinforce the importance of public reporting and due diligence both through their purchasing and investment decisions and through their communications with companies and political stakeholders.

Read the report and learn more about the campaign: www.enoughproject.org/demandthesupply

Overview and Recommendations – “Demand the Supply: Ranking Consumer Electronics and Jewelry Retail Companies on their Efforts to Develop Conflict-Free Minerals Supply Chains from Congo”

Enough’s 2017 conflict mineral company rankings update companies as well as consumers, investors, policymakers, and Congolese communities on the state of play with regard to conflict-free sourcing efforts. The rankings examine what 20 of the largest consumer electronics and jewelry retail companies in the world are doing to source conflict-free minerals and support peace in the Democratic Republic of Congo.

Years of pressure from Congolese civil society and international consumers, student activism, legislative action, multistakeholder and trade association contributions, and corporate leadership have begun to turn the tide in Congo’s minerals sector, where legal, conflict-free mining is starting to become more prevalent, offering benefits to many miners and mining communities. But major gaps in improvement remain and new challenges have arisen. In order to maintain positive momentum, companies, civil society, consumers, and policymakers should continue to undermine the profit motives underlying Congo’s violence, and collaborate to support the development of thriving, diverse local economies and transparent global minerals supply chains.

Companies in the consumer electronics, jewelry retail, and other industries that consume 3TG minerals, as well as their associated supply chains should take the following actions:

“Despite being thousands of kilometers from Washington [USA], the civil society organisations of South Kivu are among those most actively involved in speaking out in favor of the creation of a responsible mining industry and trade in minerals”

- Thematic Working Group on Mining and Natural Resources, South Kivu, Congo

Improve and support public reporting on supply chain due diligence. All companies, including publicly traded, privately held, U.S. and foreign companies, using 3TG minerals should conduct supply chain due diligence in accordance with the Organisation for Economic Cooperation and Development Due Diligence Guidance, and report publicly on that due diligence through their websites and according to any applicable legal requirements.

Conduct continuous due diligence, not just annual reporting. Companies should consider due diligence a continuous, year-round endeavor that will become easier and cheaper with time, but will never be complete and should be focused on making steady improvement in areas where risk mitigation remains necessary.

Engage in multistakeholder initiatives to design and support progressive initiatives. With the laws mandating conflict minerals reporting continually under threat of being repealed or undermined, it is critical for companies to begin or renew their engagement with multistakeholder initiatives in order to ensure the momentum built up since Dodd-Frank 1502’s passage will continue.

Support conflict-free sourcing opportunities and livelihood opportunities in mining communities with financial investment and public support. Conflict-free sourcing initiatives with strong traceability and assurance systems, particularly in the artisanal mining sectors in Congo, need investment. Companies can make an important impact by making financial contributions, improving their awareness of the challenges and opportunities related to developing conflict-free sourcing opportunities and livelihoods, and increasing public awareness of the need for these initiatives.

Set the bar higher. With supply chain transparency and in-region engagement improving, opportunities to set the bar higher and fill remaining gaps have emerged. Companies should ensure, for example, that their due diligence and risk assessment includes specific attention to mining in national parks in Congo and the wider region. Companies should also improve their communication with their financial institutions, sharing relevant findings resulting from their supply chain due diligence directly with banks to give banks the opportunity to investigate potential risks and opportunities for intervention.

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