



# Gardens of the Sun embraces a world in which jewelry radically changes the world, for good.

















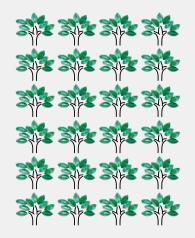
Embedding the Sustainable Development Goals (SDGs) in our everyday decisions, business practices and supply chains, helps us measure our impact in a meaningful way.



## **OUR IMPACT BY THE NUMBERS IN 2021**

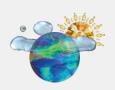


Planted a total of **17,163 trees** in Indonesia and Madagascar





Donated **US\$1,420.78** towards education of children in mining communities



Offset **67,444 kgCO**<sup>2</sup>**e** of direct and indirect carbon emissions



Fed **5 families** for 2 weeks through Feed Bali program



Financed 11 prenatal appointments plus multivitamins for a month

Avoided an estimated **9.89 to 14.83 kg** of mercury through our partnership with women gold miners

Paid **US\$4,162.10** in premiums and bonuses to our gold miners

Replaced **4,000 gram** of regular silver with recycled silver, equivalent to **11,765 phone scraps** 

Supported **116** indigenous people through 23 gold miners





**75%** of our employees are female



**100%** of managerial positions are filled by women



**146 hours** spent on yoga

**6 hours** volunteering to clean up the river

**162** vegetarian lunches for our team

# TABLE OF CONTENTS

OUR IMPACT BY THE NUMBERS	3
ABOUT GARDENS OF THE SUN	5
From our Founder	6
Values	8
Materials matter	
Sourcing Principles	12
GOVERNANCE	16
What every employee gets	17
The Employee Experience	18
ENVIRONMENTAL RESPONSIBILITY	22
Responsible Production	23
Climate Action	24
Life below Water	25
Life on Land	26
SOCIAL RESPONSIBILITY	27
No Poverty	27
Quality Education	28
RELATIONSHIPS	30
Our Clients	30
Our Business Partners	35
Wider community	36
GOING FORWARD	39



# **ABOUT GARDENS OF THE SUN**

Gardens of the Sun creates jewelry to shake things up, gently. We're a women-owned business disrupting the status quo. We clean supply chains, empower women, improve working conditions and jumpstart economies.

Every decision is planet-friendly. Every purchase plants trees. Every piece of jewelry connects you to a bigger purpose.

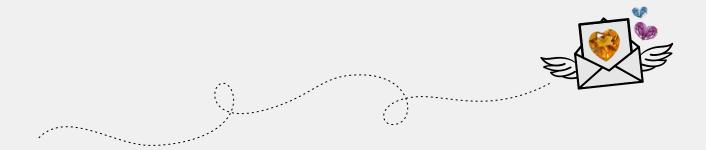
We make jewelry – that in itself means what we make become mementos, living objects, stories, and bridges between people.

Jewelry is a personal keepsake that binds people together with a loved one, a never-forgotten one, the one that got away. With themselves.

Through our work, we want to make meaningful connections between all actors in the chain. From miners and cutters to metalsmiths and marketing managers, and to our beloved clients. You are invariably linked to the very woman who panned the gold from a riverbank in Kalimantan.

Jewelry is built on connections. Ours especially.

We're on a journey beyond jewelry. Will you join us?





2021 was our most challenging year yet. After years of steady growth, we struggled to make ends meet. For the very first time in business, we had to take a loan to pay all our suppliers.

Gardens of the Sun was built using social media platforms that have become increasingly pay-to-play. Organic growth turned into constant shrinking. Relying on external platforms wasn't sustainable.

We understocked and then overstocked on ethical gold. Our gold purchasing strategy wasn't sustainable.

To push more sales, we ran heavy discounts. Sales to pay the next bill, and the next. And then sales didn't work anymore. They weren't aligned with our values, and affected the perception of our brand. These discounts weren't sustainable.

A turning point came in Q4. We asked ourselves how we wanted to show up for our clients, for couples looking for ethical engagement rings, for daughters looking for a birthstone gift for their mom... You get the gist: **how we show up for you**.

We decided that instead of reducing our prices and profits, we should stand up more straight for what we believe in. This translated as:

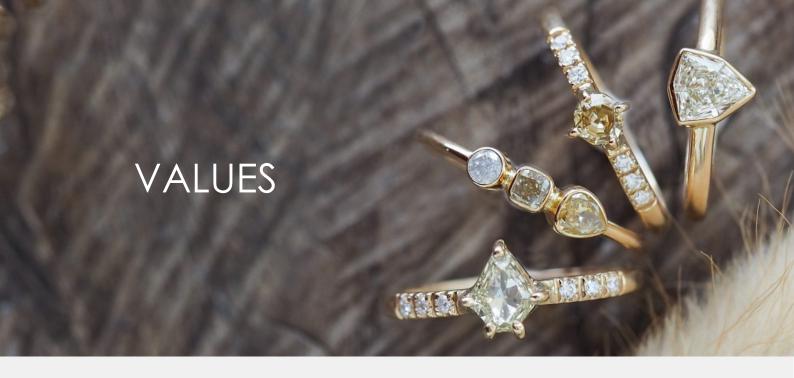
- Focusing more on SEO, email marketing and our community, diversifying the ways people find us
- Offering our ethical gold to other jewelry designers
- Not joining the Black Friday craze, but <u>donating money to</u> causes we care about

Instead of pushing people to buy more, we pushed ourselves to **do more good**.

And just like that, I felt like Gardens of the Sun was back. The truest, most beautiful business I could have imagined. And sustainable again.

With love,

Meri



Gardens of the Sun plays by the following five rules.

## Connection • Transparency • Impact • Goodwill • Self Love



CONNECTION

We make jewelry – that in itself means what we make becomes mementos, living objects, stories, and bridges between people.

Jewelry is a personal keepsake that binds people together with a loved one, a never-forgotten one, the one that got away. With themselves.

Through our work, we want to make meaningful connections between all actors in the chain. From miners and cutters to metalsmiths and marketing managers, and to our beloved clients. You are invariably linked to the very woman who panned the gold from a riverbank in Kalimantan.

Jewelry is built on connections. Ours especially.



TRANSPARENCY

We believe in being honest about our impact and our journey towards our mission. We'll never be quite perfect, and always striving to do better.

We stand behind the origin of our raw materials and the way our jewelry is made. We work towards creating increasingly traceable and transparent supply chains. Because we believe that transparency is the first step towards driving change in the way jewelry is made, and bettering the impact a business can have.



**IMPACT** 

What you do has an impact. What that impact is - that's up to you.

We're here to interrupt, gently. To transform a destructive impact into a positive kick. The kind that changes the lives of those we work with. The best isn't good enough, we want continuous improvement.

When we challenge the status quo and show that it's possible to make jewelry in a different way, we believe more people will follow.

Through our jewelry, we invite you to join us and make a difference.

# We believe in giving back because we've discovered this is the rule to a good life. And when we give back, we think long-term and we think change.



Giving back to the environment by planting trees and protecting the environment from unnecessary damages, like mercury pollution.

Giving back to our community by fostering relationships and thoughtful customer care.

In the end, we're not really giving anything away. We're merely returning what we've been given, in manifold.

We write poetry because this is how one makes love to oneself.

There's nothing wrong with you. Imagine that. It was a wild concept...at first. Then she drilled it into your bones, wove it through the fibers of your being, steeped it like a bittersweet tea in your essence. And now. There's nothing wrong with you is the most right truth you've ever known.

How does this translate to business? We do not advertise or urge to buy based on shame. We offer a range of ring sizes, for every body. Our models are not chosen based on their body type, shape or size. We send love notes to our clients, because you are worth loving.



GOODWILL



SELF LOVE



# MATERIALS MATTER

The materials we use are gifted by nature. The metals, the gemstones and the diamonds come from the soil. Human hands unearth them. You no longer see the dirt and the sweat in the finished piece of jewelry. But without them, your ring wouldn't exist.

We could have chosen the easy way. We could have just said "our jewelry is 100% ethical, pinkie promise". And showed you a sparkling gold diamond ring. No sweat.

But we didn't. Why?

Because Gardens of the Sun isn't just about the jewelry. We're about impact. We seek to create a positive impact rather than merely reduce or avoid any negative impact.

A vague statement like "ethical jewelry" without practical action wouldn't necessarily change anything.

And so we're working where mercury pollution is the worst, and where diamonds and sapphires are mined solely by artisanal miners.

That's where we can change people's lives, and have a real impact.

We believe materials matter. And we're working, sweating in the mud, to make them more ethical.

"I absolutely love the diamonds at Gardens of the Sun! They have so much personality so you know no one else out there has one like it, and it's nice to be able to purchase a diamond that I can trust has been ethically sourced."

Lana Beissel

Colorado USA

# SOURCING PRINCIPLES

We aim for fully traceable supply chains, where we continuously improve the conditions. We seek to create a positive impact rather than merely reduce or avoid any negative impact. In practice this translates to a combination of sourcing from responsible suppliers (supporting low impact) and setting up our own supply chains (transforming existing impact).

We apply these <u>four principles</u> when it comes to sourcing our materials:



#### **SHORTER SUPPLY CHAINS**

We prefer to purchase directly from artisanal miners or as close to the source as possible.



#### **TRACEABILITY**

We know the origin of our materials, at least at the country level and try to meet our suppliers in person.



## TOXIC FREE

We avoid the use of mercury and cyanide, and give preference to suppliers with appropriate waste management systems.



#### **BETTER IMPACT**

We strive for change and continuous improvement.

#### **ETHICAL GOLD**

Since 2019, we've been using ethical gold from Borneo for our jewelry. This gold is sourced from a group of indigenous women miners from Central Kalimantan using traditional, low impact methods.

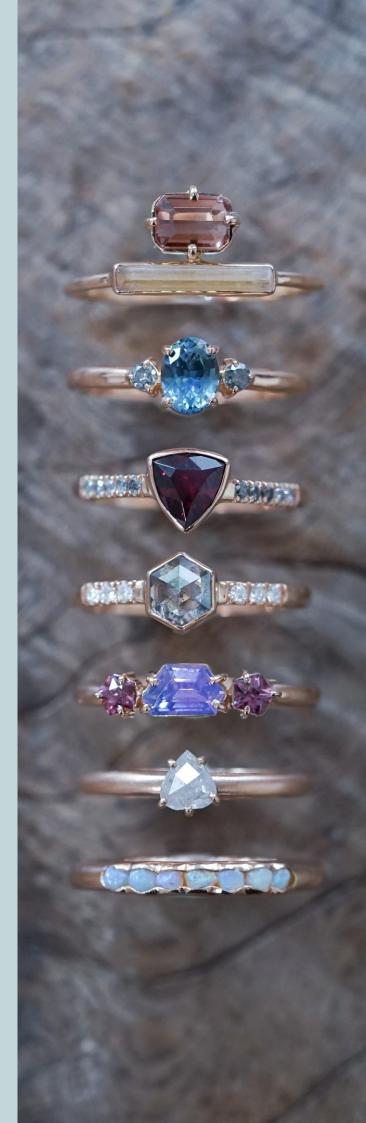
Each miner has pledged their commitment to not use mercury in their gold collection and processing. In turn, we support their promise by offering a premium price for their gold, fun bonuses, and scholarships for their kids. Oh and then of course there are the goodies that make them feel like a true part of our community!

Gold processing usually involves dangerous chemical substances. Since 2020 we collaborate with a local refinery in Jakarta. This refinery signed a MoU promising our Borneo gold is processed in isolation and mercury-free, in compliance with health and safety standard regulations. The isolation is important because it means we get the exact same gold back that we send them, and it's not mixed with gold from other, dubious origins.

"I feel happy I don't have to use mercury, which is dangerous to our health. So it's great to partner with Gardens of the Sun for selling our gold. I hope I can get enough money to relax and maybe open my own business"

#### Priskila

Member of KPPJ (Women Miners Group)





#### **RECYCLED SILVER**

2021 was our first year to solely use recycled silver.

As of September 2020, we use 100% recycled silver for our silver jewelry. This recycled silver is imported from the precious metal refiner Umicore.

They've been listed as a Conflict Free Smelter by the Responsible Minerals Initiative. They're certified with ISO9001 (for operational processes), ISO14001 (environmental commitment) and ISO45001 (safe and healthy environment for its workers), and Chain-of-Custody certified by the Responsible Jewellery Council and compliant with the LBMA Responsible Ag Guidance.

Choosing <u>recycled silver</u> is an interim option as we search for something with more impact - silver that drives change.

"We were looking for a beautiful and ethical ring and this more than answered."

**Chris Evans**Australia

# DIAMONDS AND GEMSTONES FROM KNOWN ORIGIN

Few gemstone and diamond traders have the capacity or desire to understand or implement a sourcing policy like ours. If we can't set up our own supply chain, can't find responsible suppliers with competitive prices, we apply a country level risk assessment for gemstone and diamond origin. We call this our Gemstone Risk Assessment System. This system looks at environmental, social and governance risks at country level. It helps us assess whether we can accept the potential risks and impact arising from purchasing a gemstone or a diamond from a certain country.

Any gemstone sourced by Gardens of the Sun should meet these minimum requirements:

- Natural gemstone or diamond
- Country of origin is known
- © Country of origin is not red-listed in our Gemstone Risk Assessment System, unless there's reason to believe the risk is avoided
- If country of origin is yellow in our Gemstone Risk Assessment System, the risk should be offset

In addition, any diamond sourced by Gardens of the Sun should have been mined and traded in accordance with the Kimberley Process Certificate System.

Vintage and old gemstones (mined or cut before 1990) and overstock from other jewelers do not need to meet these sourcing criteria.





As a business we choose to act in ethical, transparent and accountable ways. It's our mission to not just be a responsible business, but a frontrunner in ethical jewelry.

This starts inside our business, and with the way we operate. Our values aren't just empty words, but we keep them practical enough to embrace them in our everyday business decisions. It means our team enjoys working for something they believe in. And best of all, we continuously improve our business, make our impact count and encourage other jewelers to do the same.

In 2020 we looked at ethical leadership from within. We improved transparency from the management and involved more employees in more business decisions. We set up a separate Production Department, created a better system to record gemstone purchases and inventory, and rewrote policies and SOPs as we applied for B Corp certification.

# What every employee gets:



Health insurance, social security and pension from their first day of employment



Team building activities



3 months paid parental leave for new moms



2 weeks paid parental leave for new dads



Become part of an amazing, diverse team



All employees are paid above the minimum wage (on average 127% above minimum wage)



# THE EMPLOYEE EXPERIENCE

**6.45%** job growth rate

11.85% attrition rate

# **PERMANENT STATUS**

4 employee received permanent employment status, for a total of 8 employees with permanent employment contracts

# 62 hours

of professional learning to expand our knowledge and skills

# **162 MEALS**

162 vegetarian lunches for our team

# 6 hours

volunteering to clean up the river

# **GENDER EQUALITY**



25% of our employees are under 25 years old

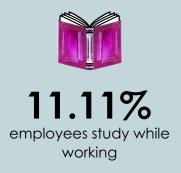


**75%** of our employees are women



100%
of managerial positions
are filled by women







"Studying while working is very challenging. When I graduated, I felt so proud for doing both at the same time. Best of all, I could pay the tuition from my salary and the company's learning budget. I was so grateful for the flexible time given by the office, and the support my colleagues gave during my studies."

Yudhi Tirtayanti Admin & Office Coordinator, graduated in September 2021

#### We maintain work-life balance through:



Team outing to Waterbom

Healthy vegetarian lunches



146 hours of Hatha yogo

Annual team design session





# Response to COVID-19:



100% of employees are vaccinated against COVID-19



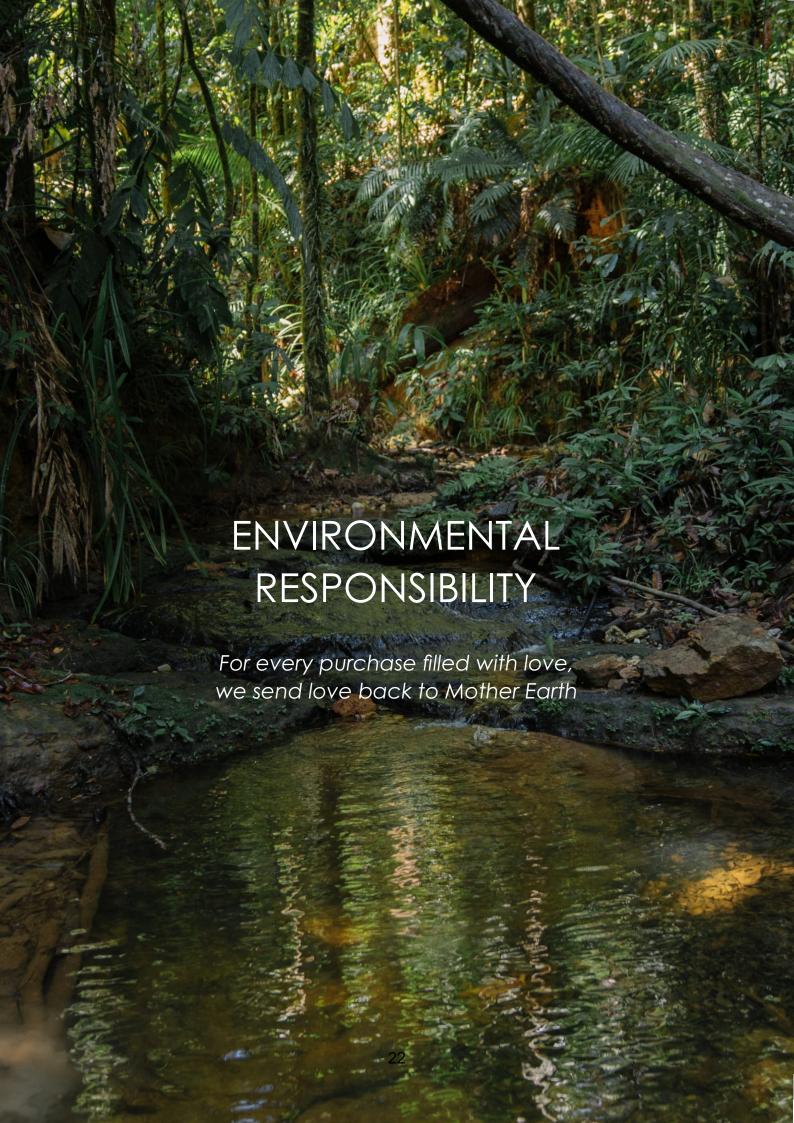
Employees could work from home whenever possible



COVID-19 protocol is implemented & regularly updated, to keep everyone safe



Those who continued to work from the office were limited to a max of 4 people per room, depending on the room size and ventilation



# By choosing better options for our production, we're able to offer better for our clients.



By purchasing 988.77 gram of ethical gold, we avoided the use of an estimated 9.89 kg to 14.83 kg of mercury.



We purchased 4,000 grams of recycled silver retrieved from post consumer, industrial and end-of-life applications, like electronic and electrical scrap. This is the hypothetical equivalent of 11,765 phones.



By improving the smelting facility and offering a bonus to for the woman miner who collects the most gold without mercury.



Our shipping boxes and banana paper jewelry boxes can be recycled.

"I'm really grateful for the bonus given to me. Thank you for taking care of us. The bonus is used to buy food and medicine that I really need."

Lunce A Beneng

Member of KPPJ
(Women Miners Group



# 67,444 kgCO2e CARBON EMISSIONS OFFSET

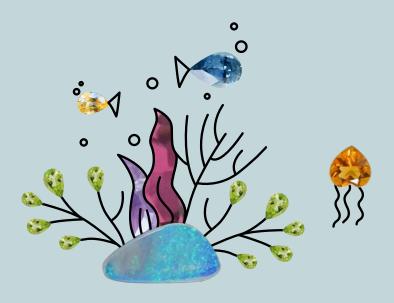
We monitor, control and try to reduce the carbon footprint from our operations.

8,965 kgCO2e emitted from direct and indirect emissions from our Bali studio. These emissions come from fuel, fugitive emissions from refrigerants, and electricity use. We started to record, monitor and control our office emission. Our office emissions decreased by 6.3% from 2020. This is because more people worked from home, and because we stopped the daily lunches in August.

We're responsible for an estimated 58,479 kgCO2e indirect emissions. This is calculated from fuel used by our gold miners and metalsmiths, upstream shipping, customer shipping, employee commutes and business trips. This shows an increase of 35.27% from 2020. This is because for 2021, we have more data and more detailed calculations.

In total, our direct and indirect carbon emissions over 2021 are 67,444 kgCO2e, a 27.25% increase from last year.

We offset our 2021 emissions, both direct and indirect, by purchasing 67.44 verified carbon units from the Sumatra Merang Peatland project in Musi Banyuasin District, South Sumatra, Indonesia.



# 25 CORAL FRAGMENTS

We donated 25 coral fragments for coral restoration around Nusa Penida island, Bali.

We initiated a donation program for sales in November and December 2021. One of the programs was to adopt coral through the Blue Corner Conservation.

Healthy coral reefs provide a home to over 1 million fish and other aquatic species, create jobs, are a source of food for people living near coral reefs, are a natural protection barrier for coastal areas and a source of medicine, both already in use and potential future treatments.

We planted

# 17,163 in 2021 through our programme:

15,415

5 trees for every purchase

1,094

Donation for International Day of the Forest 600

Donation program for holidays

54

Offset gemstone purchases from Madagascar and Brazil (potential source of deforestation)

## Estimated planting area:

→ Biak, Papua, Indonesia: 15,415 trees on ~1.54 ha✓ Madagascar: 1,748 trees on ~0.17 ha



# SOCIAL RESPONSIBILITY

We envision jewelry that not only makes you feel good, but also does its best to be good. This is only possible with the support of our incredible community of experts and artisans.



We offer better gold prices to the women miners we work with. In 2021, we paid a total of

US\$4,057.68 in premiums.

In addition, we also offer a bonus every quarter for the woman miner who collects the most gold without using mercury. So far, we've given

US\$104.42 in bonuses.





US\$ 360.80 for 3 children

**US\$ 1,059.99** for 500 children in 3 schools

We gave scholarships and school packages to (grand)children of the women miners. We believe this is important since gold is a finite resource, and the women miners have told us they wish for a better future for their children. Education is important to them, and so, it is important to us. We supported the education of 3 children with scholarships worth US\$ 360.80.

We facilitated 500 children in 3 schools in Tatelu, North Sulawesi with a reading corner (bookshelves, books, etc.), worth US\$1,059.99.





"The reading corner donation truly helps teachers and students to continue home based learning during this pandemic. Teachers can store their teaching materials in the reading corner and bring different books for students to borrow during house visits."

# Ibu Agustin Manua

Teacher at Tatelu Primary School



# RELATIONSHIPS

# **OUR CLIENTS**

Part of our journey beyond jewelry is finding homes for the jewelry we create.

Our clients and community are as much part of our journey as the miners and artisans we call a part of our dream team.

Jewelry is more than a shiny trinket to be forgotten in a box. It's a story told. And we're proud and happy to be a part of our clients' stories. From engagements and weddings, to celebrating new lives and remembering loved ones lost, to discoveries of self love.

Our clients have helped us increase Indonesian exports (SDG 17) while going on their personal journeys.



## In 2021 we sold



# We shipped to

# 43 COUNTRIES

(59.28% to the USA)





"This company is truly ONE OF A KIND and as a happily engaged man, I stand by every word. I'm still not sure if she wants to marry me more or this company more;)"

**Ryan Acel** Pennsylvania, USA

# +863 new clients

down 37% from 2020

**36%** return customer rate

One out of three clients loved their experience so much, they came back for more

## How you help us do better









We received 33 complaints in total. We used this as feedback to make Gardens of the Sun better:

- We received feedback that our dainty necklace and bracelet chains broke easily. So our employees and clients tested new chains, and we now offer sturdier chains.
- Since receiving complaints about the hidden gems opal rings losing color, we oxidize the metal behind the opal, so the color now comes

out better.

- 3 After we received complaints about delays and loose stones, we set up a production team with more team members, got an external consultant to train us on quality control and we now work with an additional goldsmith.
- A few clients complained the rhodium plating wearing off their white gold jewelry. We're now looking into upgrading to palladium white gold, which is less yellow in color and may not need rhodium plating.



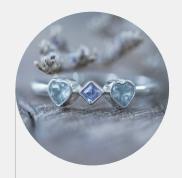
For the 2,596 products we sent to clients (total of 1,664 orders), we received 172 5-star reviews, and 6 non 5-star reviews





172

6





I got this ring as an "Us"/"anniversary" ring...where my birthstone is on one side, my husband's is on the other side, and our wedding date's stone is in the middle. I absolutely LOVED the pictures they sent prior to them sending it...and the fact that they wanted to make sure I loved it BEFORE they sent it was mind-blowing. It was more than I was expecting. This isn't a 5 star, it is a 10 star.

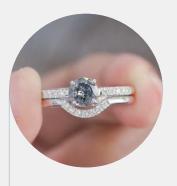




# 49

When my partner and I decided to get married, I didn't even need to give it a second thought on where I wanted to get my ring from. I love that I am able to support a truly wonderful company who is all about ethical sourcing and sustainability. It is amazing that I am able to know the origin details of the specific diamond I have chosen to incorporate into my ring it truly makes it all the more special to me.

SHANNON FITZGERALD New York, USA



# 49

After starting the process of creating my dream ring set, I feel like I have gained more best friends! I had an idea in my head of what I was asking for, but like a true fairytale they used their hearts and magic to send me a set I couldn't have dreamed of.

**DANI DELGADO** Nevada, USA



# **OUR BUSINESS PARTNERS**

Our business partners are key to the transparency and traceability of the materials used for our jewelry. We want to make sure our business partners enjoy advanced market access, loans when necessary to grow their operations, and fair pay.

## **Existing partners:**



 Premium payment to the women miners (see Social Responsibility section), a bonus every quarter, and scholarships for the miners' children



 IDR 50 mill interest-free loan to CV Sunrise
 Sejahtera, our metalsmiths



 Our partner for rhodium plating, metal testing, alloying and recycled silver



Our partner for gold refining

## New partner:

# natale dissel

 Consultant for quality control and sustainable production "We've partnered with Gardens of the Sun since 2020. We hope together we can make mercury free gold better known in Indonesia and globally."

#### **Imam Nurcholis**

Customer Relations & Marketing at PT Bukitmas Mulia Internusa





In 2021, we donated \$4,842.28 to various charities. Our employees spent 6 hours volunteering to clean the river in Bali.

- Women empowerment
- Education in mining communities
- Bali community
- Environment

# DONATIONS:

\$1,059.99 2-Mar-2021	Facilitate children in Tatelu with a reading corner (bookshelves, books, etc)  SD Negeri Tatelu, SD Inpres Tatelu, SD Karsiah Tatelu
\$50.00 9-Mar-2021	Help indigenous Papuan women access safe child birth Yayasan Bumi Sehat
\$109.40 24-Mar-2021	Trees planted for International Day of the Forests - 1,094 trees in Madagascar  Eden Reforestation Project
\$709.50 14-Apr-2021	Trees planted from our sales - 4,730 trees in Biak, Indonesia  Eden Reforestation Project
\$150.00 7-Jun-2021	Foodbank for people affected by the pandemic in Bali (staff lunch money donation)  Foodbank
\$360.80 28-Jul-2021	Scholarship to 3 children of women miners members + bags and stationeries  Jhonatan Prawira, Prihati, Yumi Lovita
\$138.88 15-Nov-2021	Upgrading KPPJ smelting facility  KPPJ
\$1,091.25 16-Dec-2021	Trees planted from our sales - 7,275 trees in Biak, Indonesia  Eden Reforestation Project
\$138.90 17-Dec-2021	Feeding 5 families for 2 weeks through Feed Bali program  Yayasan Tresna Bali Jaya
\$125.00 31-Dec-2021	Holiday donations - plant 25 coral fragments to restore degraded coral reef around Nusa Penida  Blue Corner Marine Research
\$40.00 31-Dec-2021	Holiday donations - plant 400 trees in Madagascar  Eden Reforestation Project
\$91.67 31-Dec-2021	Holiday donations - provide 4 families with clean water Social Impakt
\$250.00 31-Dec-2021	Holiday donations - finance 11 prenatal appointments plus multivitamins for a month Yayasan Bumi Sehat
\$5.40 31-Dec-2021	Plant 54 trees in Madagascar - offset gemstone deforestation risk  Eden Reforestation Project
\$511.50 31-Dec-2021	Trees planted from our sales - 3,410 trees in Biak, Indonesia  Eden Reforestation Project

We participated in several online webinars and conferences

#### March

## Written support

Support for mercury-free gold processing standard





#### May

International webinar "Ethical Jewelry for Responsible ASGM Practices"





#### September

#### Virtual Expo

NR4D National Seminar titled "Gender and Policy Reflections in Indonesia's Extractives Sector: Towards A Sustainable Development"



#### November

#### Speaker

World Fashion Forum with a topic of "Navigating consumerism as an impact driven brand"





"One of our speakers in the World Fashion Forum has touched our hearts so much, we cannot stop thinking about how we can help.

Meri shared her story on the challenges she and her team are facing while working with indigenous women and communities in Borneo and other remote islands of Indonesia. Who could imagine that a small brand like this would decide to pay way more money for the gold in order to support the communities and help them not only to survive but strive.

I believe the more people are supporting brands like this and give them an opportunity to speak up and share their wins and struggles, the more impact we can all make."



**Dinara Tagirova** Unit Conference Organizer

# Going Forward

At the end of 2020 we looked to 2021 with optimism that the pandemic would end and we could create more impact. Unfortunately, the pandemic hit us harder than before. With less revenue, we struggled to create the impact we desired.

Let's celebrate the impact we did have:

- Reduced our office emissions by 6.2%
- Started offering our ethical gold to other jewelry designers
- Donated to causes we care about, like education, tree planting, coral reef restoration, women's health and providing food to our local community
- Created more awareness about ethical jewelry by participating in several online webinars and conferences, both national and international

We're not the only small business that's struggled the past two years. But despite the hardship, we stuck to our mission and values. We continued to spark change. No matter how small the action, like turning off the AC when not in use, cleaning up local rivers and donating our lunch money to those without food, we made a meaningful difference. I'm proud of that.

On a larger scale, Gardens of the Sun is about transforming supply chains, connecting people, being honest in our journey and giving back. It's still a work in progress.

We applied for B Corp certification as part of our commitment to transparency and accountability. It's not just what we say, it's what we do - we follow through.

Here's to becoming B Corp certified in 2022, and driving more change.

Cecilia Evita
Sustainability Manager



**Cecilia Evita**Sustainability & Sourcing Manager

# Join our journey beyond jewelry





