The Business of Doing Good

RAPAPORT... **Iris, you have been a strong advocate of sustainability for over 20 years. Why are the 17 Sustainable Development Goals (SDGs) so important now?**

The 17 SDGs are the sustainability agenda for the world as agreed by 193 countries. They are about people, prosperity, planet, peace and partnerships. They are about leaving no one behind. It is an excellent framework for any company to use to develop its sustainability strategy.

Over the coming years, every organization in the global jewelry and watch industry should look at how they can make the SDGs an integral part of how their company operates. We need more sustainable business models focused on meeting the evolving needs of societies around the world. In other words, companies need to integrate human rights policies, health and safety, decent labor practices, product integrity, and climate action into their core business practices.

The Responsible Jewellery Council (RJC) has also used this SDG framework to develop a road map for the global jewelry and watch industry through multi-stakeholder consultation. We are focused on SDG 5: Gender Equality, SDG 8: Decent Labor, SDG 12: Responsible Production, SDG 13: Climate, and SDG 17: Partnerships. We have launched a partnership with the United Nations Global Compact in New York focusing on education and training for smaller enterprises.

Education is key to helping our members understand how this framework can really deliver business value. We are working closely with the World Jewellery Confederation (CIBJO) on promoting this work within the wider industry. We have also recently set up an expert SDG task force co-chaired by Richemont and De Beers Group to develop reporting metrics based on international reporting standards to help our companies report on progress. All these efforts will help companies build strong, purpose-driven business models that will enhance consumer confidence.

When you started at the RJC as executive director, your approach to leading on the SDG agenda set you apart from everyone else. Have you seen positive change in your interactions with your members since then?

We see strong leadership in sustainability — the time is now, and inaction is not an option. Within our membership, companies are at varying stages of maturity. Integrating sustainability is hard work and a process of continuous improvement. As our progress report shows, the RJC has continued to grow despite the impact of Covid-19. This shows that responsible business is resilient business. Some companies are truly driven by purpose and morality and a strong belief in the role of business as a force for good. Other members are primarily driven by economics as part of their risk-management strategy. But it is clear that everyone agrees that we live in the decade of trust and transparency, where there are few places to hide. Irresponsible behavior can significantly impact reputation, market value and consumer confidence. I am confident that this sustainability movement will only accelerate.

How do you think the jewelry industry has changed in terms of sustainability?

We are proud of how the industry has advanced. Our industry has always had a set of core values which drive the push toward sustainability. In recent years, there is an increased emphasis, which is being driven by both the industry and the consumer.

On the one hand, we have consumers — millennials, Generation Z and others — who demand more transparency and integrity in the products they choose. This is especially true for jewelry, given the emotional currency it holds in people’s hearts and minds. And on the other hand, we are seeing the industry (and in many nations, governments) stepping up to long-held promises of corporate sustainability and responsible investing. Environmental, social and corporate governance (ESG) is on the rise, and we see a real shift in mind-set where leaders are building a true sustainability culture in their organizations — leading on purpose — [in terms of] how they treat people, implement human-rights due diligence, operationalize climate action, manage product integrity, and innovate through sustainable designs and material usage.

What are the biggest challenges the industry still faces today?

Given the complexity of global supply chains in our industry, and their interconnectedness with communities in scores of countries around the world, there is a

broad set of social, economic and environmental challenges that the industry confronts. Issues related to human rights, gender inequality and climate change come to mind foremost. The disruption caused by the pandemic has further underscored the urgency of doubling on efforts to tackle these longstanding challenges by embracing sustainability. This will help businesses build resilience to withstand and recover from crises such as the one we are emerging from.

The jewelry industry enjoys a high profile worldwide, yet is often critiqued for the way business is conducted down the supply chain. Overcoming perceptions about the ethics of supply chains and nurturing consumer confidence [make for] another major challenge. I applaud the work of the Natural Diamond Council (NDC) on how they are telling the stories of how the diamond industry positively touches the lives of millions of people.

Lastly, it is also widely recognized that the industry faces pressure, as it is losing market share to other luxury products like smartphones, designer handbags, clothes and the travel sector.

Time and again, industries have evolved and adapted to challenges such as these, and I am confident in the ability and strength of our industry to do the same with sustained effort. The SDG road map is critical in showing how we as the global jewelry and watch industry are contributing to the 2030 agenda — the 17 Sustainable Development Goals and leaving no one behind.

What do you consider the biggest achievements from brands in making the jewelry industry more sustainable?

Many of our brand members, such as Bulgari, Cartier, Chanel, Chopard, Hermes, IWC Schaffhausen, Piaget, Pomellato, Van Cleef & Arpels, and Jaeger-LeCoultre, are at the vanguard of sustainable development in the jewelry and watch industry. Some of the most famous jewelry brands were also founding RJC members.

Brands increasingly understand that their reputation is built on integrity, the quality of their products, and their impact on communities. Hence, they lead by example. Leading brands have embarked on the sustainability journey in their supply chains. This is creating a ripple effect on the broader industry. The industry looks to the major brands for inspiration and direction. We see how they are at the forefront on topics such as women’s empowerment, the circular economy and ESG. I invite you to look at the recent CEO leadership video we launched, “Create Beautiful,” that reflects this vision.

Why are you such a strong advocate on the topic of gender equality?

This is a topic close to my heart — Sustainable Development Goal 5: Gender Equality. Gender equality is a critical milestone in achieving all 17 SDGs. It is considered a multiplier. In our industry, women drive 90% of jewelry demand globally. The unfortunate reality is that we are not doing enough on this front. In fact, according to the World

Economic Forum’s 2020 Global Gender Gap Report, it will take 257 years to close the economic gender gap at the current pace. The progress has been far too slow.

Historically, women have been especially vulnerable during crises. Covid-19 is no different, and we see that domestic violence, child marriage, etc. are on the rise. With schools and childcare services closed, women and girls are taking on the bulk of household and caregiving responsibilities. From our industry perspective, artisanal and small-scale mining (ASM) needs our urgent attention. That is why we have started the Generation Equality Roundtables in partnership with CIBJO. We will be launching our Generation Equality Report in August at JCK.

I strongly believe that putting women and girls at the heart of Covid-19 responses will accelerate progress toward a more inclusive recovery and help build more equal and sustainable economies.

Iris Van der Veken (pictured) is the executive director of the Responsible Jewellery Council (RJC). responsiblejewellery.com

This article was first published in the August 2021 issue of Rapaport Magazine.

Image: Dimitri Pruym Photography.