

The background of the entire page is a light blue gradient. Overlaid on this is a large, intricate white line-art illustration of watch gears and mechanical components. A prominent diamond shape is integrated into the design, appearing as a central pivot or a part of the gear mechanism. The lines are thin and elegant, creating a sophisticated, technical aesthetic.

# COLLABORATING TOWARDS 2030

If not now, when? If not us as an industry, who?

STAKEHOLDER REPORT

MARCH 2023

WATCH & JEWELLERY  
INITIATIVE 2030

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**Marie-Claire Daveu**  
KERING – CO-CHAIR



**Cyrille Vigneron**  
CARTIER – CO-CHAIR



**Iris Van der Veken**  
EXECUTIVE DIRECTOR &  
SECRETARY GENERAL

## 1.1 A MESSAGE FROM THE CO-CHAIRS & THE EXECUTIVE DIRECTOR

Dear WJI 2030 Stakeholder,

Welcome to our first stakeholder report. We would like to provide an update on our strategic progress and the feedback we received through the extensive multi-stakeholder engagement process we have been undertaking since the foundation of WJI 2030 in April 2022.

The time is now. A central message that emerges from all stakeholders interviewed is the need for all actors to rise to the urgent task and deliver on the promise of the Sustainable Development Goals. Collaborative leadership is key as no single organisation or sector has all the knowledge and resources that are needed to make real progress.

Our primary aim with this initiative is to collaborate with key stakeholders and lead the way in advancing measurable impact across 3 critical pillars: building climate resilience, preserving resources and fostering inclusiveness.

Since our establishment in April 2022, we have seen a continued increase in membership and stakeholder interest. As you will read in this summary report, today we have 35 members. In addition, we have developed three key partnerships with the United Nations Global Compact, UN Women and ESG Book to support our members and the wider watch and jewellery industry in actioning the 2030 agenda. We would like to take the opportunity to thank the Boston Consulting Group, BSR, Hill & Co., and twentyfifty for supporting us on the exciting journey ahead.

We have also made good progress on building a robust governance framework to diligently manage the work of the initiative. We have appointed an independent and B Corp-certified legal counsel and we are shaping a multi-stakeholder advisory committee that reflects our vision of transparency, integrity, and inclusiveness.

We see a clear and unique opportunity to collectively step up and build a better world. On behalf of all of us at WJI 2030, we thank you for your support and look forward to our continued journey together.

Kindest regards,

*Marie-Claire Daveu, Chief of Sustainability and Institutional Affairs Officer, Kering – WJI 2030 Co-Chair*

*Cyrille Vigneron, President and CEO, Cartier – WJI 2030 Co-Chair*

*Iris Van der Veken - Executive Director and Secretary General, WJI 2030*



## 1.2 OUR VALUE PROPOSITION

### WHAT WE DO

The Watch & Jewellery Initiative 2030 brings together CEOs and decision-makers from across the supply chain to make a meaningful difference on three key pillars: climate resilience, preserving resources, and inclusiveness.

Our members engage with global experts on business and sustainability in a multi-stakeholder ecosystem. Our work is committed to delivering concrete and measurable impact to the global jewellery and watch industry and society at large. In our demanding and ever-evolving consumer and regulatory landscape, we work to guide our members to be fit for purpose, building trust through transparency and measured progress.

- Our actioning on the three pillars is aligned with the ten principles of the United Nations Global Compact and the 17 Sustainable Development Goals.

## WHY JOIN WJI 2030

As a WJI 2030 member, you can access a leading multi-stakeholder community to accelerate your sustainability journey and performance. Members shape the future of the global watch & jewellery industry through their actions and collaboration with other members, supplier communities and the industry at large.

### SCALE FASTER THROUGH LEARNING & PARTNERSHIPS

- Foster a **safe collaborative space** protected by a **robust governance framework**
- **Co-develop common roadmap and shape industry approach** on critical sustainability topics
- **Shape brand-supplier programmes** to strengthen industry practices and dialogue
- **Stay ahead** of emerging regulatory landscapes
- **Promote innovation and multistakeholder collaboration** to solve systemic challenges

### UNLOCK IMPACT OF THE COLLECTIVE

- Contribute to **Multistakeholder Action Platform** and **UNGC Solutions Lab**
- **Collaborate with peers** share best ESG practices
- **Access to expertise and technical support, resources** via WJI tools, trainings and helpdesk
- **Aggregate investment in new sustainability solutions** to pilot and scale-up
- **Access partnerships for collective action**, i.e., UN Women, UNGC, ESG Book, Global Fashion Agenda

### LEAD AND ACCELERATE ON TRANSPARENCY & REPORTING

- Accelerate and **strengthen reporting and disclosure efforts**
- Demonstrate **transparency** throughout your sustainability journey
- **Prioritize** KPI's to report on progress, fit for purpose in the evolving ESG landscape
- **Collectively measure progress and report** learnings on implementation
- Share **best practices** to the wider industry

### 1.3 OUR MEMBERS

A.GUL KG  
Diamonds  
since 1967



BOUCHERON  
PARIS



BLACK IN JEWELRY  
COALITION

Cartier



DIMEXON.



DoDo  
JEWELLERY

EURODIAMONDS



GUCCI  
timepieces & jewelry

IWC  
SCHAFFHAUSEN



JULIE SANDLAU VIETNAM



MATTIOLI

MONICA VINADER  
M

MONT  
BLANC

PANDORA

PANERAI

PIAGET

Pomellato  
MILANO 1967



RUBEL MENASCHÉ

SOPHIE BILLE BRAHE



qeelin

WOUTERS & HENDRIX



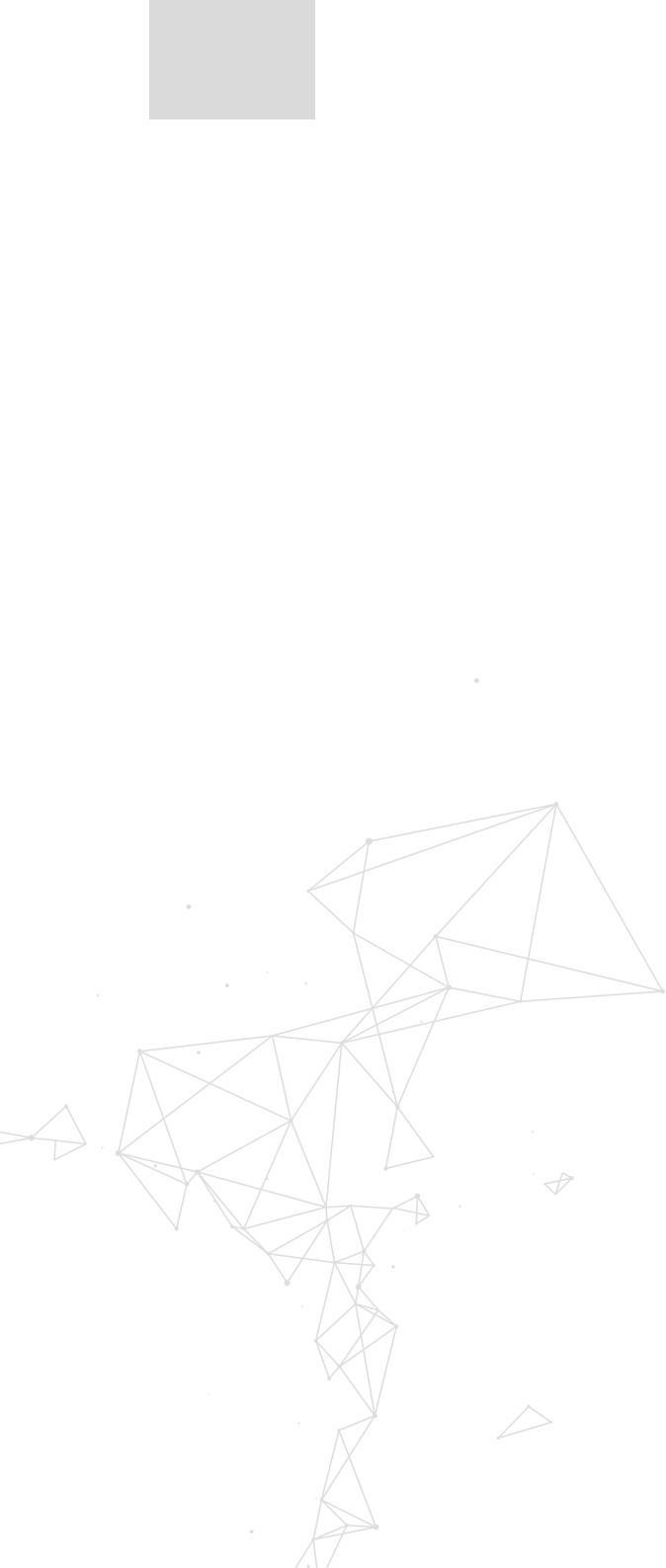
## 1.4 EMERGING TRENDS, REGULATION, AND STAKEHOLDER PERSPECTIVES FOR THE WATCH & JEWELLERY INDUSTRY

The Watch & Jewellery industry is increasingly confronted with importance of sustainability – from impact of climate change, regulations raising standards, emergence of disruptive business models, increasing consumer & employee expectations or transparency of sustainability performance – all these dimensions are creating additional pressure on the industry to act.

As climate change accelerates, decarbonization is becoming a key imperative. The current trajectory puts us at >4°C global warming by 2100, versus a 1.5°C from the Paris ambition. This would reflect in major shifts in political, macroeconomic, and social challenges that society and industries will have to face. Projections anticipate -30% GDP per capita in 2100 with the current trajectory, in comparison to -8% GDP per capital with the Paris ambition. Every delay further raises needs for efforts, reinforcing the urgency to act.

End-product companies can have a major impact via supply chain – brands need to focus efforts along entire value chain to maximize impact – however, with 85% of emissions in Fashion & Luxury being related to Scope 3, the greatest need for action is upstream. There are seven levers for net-zero emissions: this includes Circularity/Recycling (use of recycled materials), Material & Process Efficiency (reduced waste across value chain & better HVAC), Renewable Power (for offices & production lines), Renewable Heat (biomass, solar), New Processes (greener tech), Fuel Switch (battery electric trucks for road transport), Nature-Based Solutions (sustainable agriculture & additional compensation).

Regulation is expected to play an increasingly strong role in the upcoming years. The European Union is doubling down on Sustainability and Circularity. A multitude of complex regulations are coming into action which will significantly impact the business models and practices of Fashion & Luxury companies. In addition, individual European countries have been driving national regulations and frameworks – impacting EU regulations and calling for harmonization (e.g., 'Make Green in Italy – 2018', 'Climate & Resilience in France – 2020', 'Supply Chain Law "Lieferkettengesetz" in Germany – 2023).



A shift towards greater regulation of the sector is also taking place beyond the borders of the EU (e.g., NYC: Fashion Sustainability & Social Accountable Act (2021) Senate Bill 62 in California, Green Claim Code in UK – 2021). For brands in the Watch & Jewellery space, upcoming regulation is especially relevant in six areas:

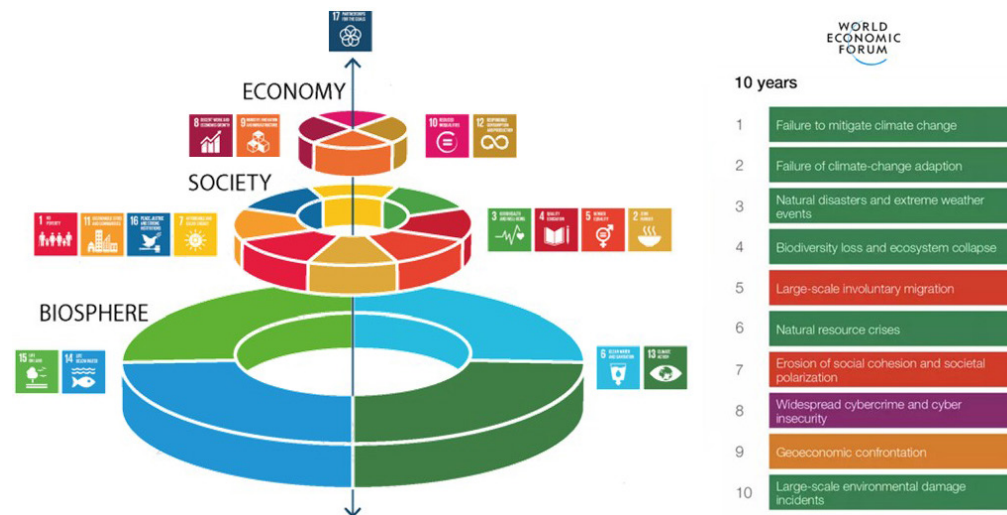
- **Ecodesign requirements:** Binding design requirements to boost circularity by defining targets including quality, durability, minimum recycled content or amount of hazardous substances for core products and packaging
- **Social and Environmental Due Diligence:** Introduce a horizontal due diligence obligation for big companies to identify, prevent, mitigate social unfairness (esp. focusing on forced labor) along the value chain, as well as identify reported and remedied or minimized environmental impacts including, for example, harmful emissions
- **Circular Business Models:** Stimulus to drive uptake of new, circular models including repair and reuse of products e.g., via positive taxation and further limitation of destroying products
- **Extended Producer responsibility (EPR):** Producers will become responsible for the waste their products create and pushed towards enabling recycling as ultimate last step
- **Product-level transparency:** Introducing a (digital) product passport to make environmental impact & performance quantifiable and transparent based on universal method with defined values & requirements
- **Substantiating of green claims:** Mandatory verification of all green claims and commitments with the help of recognized standards and 3rd parties



THE 17 SUSTAINABLE DEVELOPMENT GOALS POSITIONED IN RELATION TO THE BIOSPHERE FOUNDATION AND THE SAFE OPERATING SPACE FOR HUMANS ON EARTH

Finally, customers have an increasingly clear view on what they expect from brands, from table stakes up to what excites them to the point of influencing their purchasing decision. This will be a key factor for brands to act, for the good of business as well as the planet. These elements include:

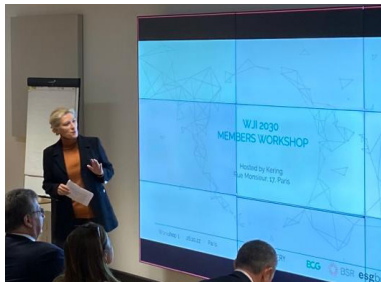
- **Table stakes:** Support Society & Community, Working Conditions & Wages, Animal Welfare, Efficient Processes & Use of Resources, Thoughtful Use and Sourcing of Base & Precious Metals
- **Some excitement:** Diversity & Inclusion, Eliminating End-of-Life Waste & Recycling, Plastic Usage & Microfibers
- **High excitement:** Material Innovation, Transparency & Traceability, Carbon Footprint & Gas Emissions, Circular Business Models/Prolonging Lifecycle



Folke et al. Ecology & Society 2018<sup>1</sup>

<sup>1</sup> <https://www.semanticscholar.org/paper/Social-ecological-resilience-and-biosphere-based-Folke-Biggs>

## 1.5 FOCUS ON SOCIAL SUSTAINABILITY



Marie-Claire Daveu  
CHIEF OF SUSTAINABILITY AND  
INSTITUTIONAL AFFAIRS OFFICER,  
KERING

WJI 2030 Co-Chair at the first Members  
Workshop in Paris October 2022

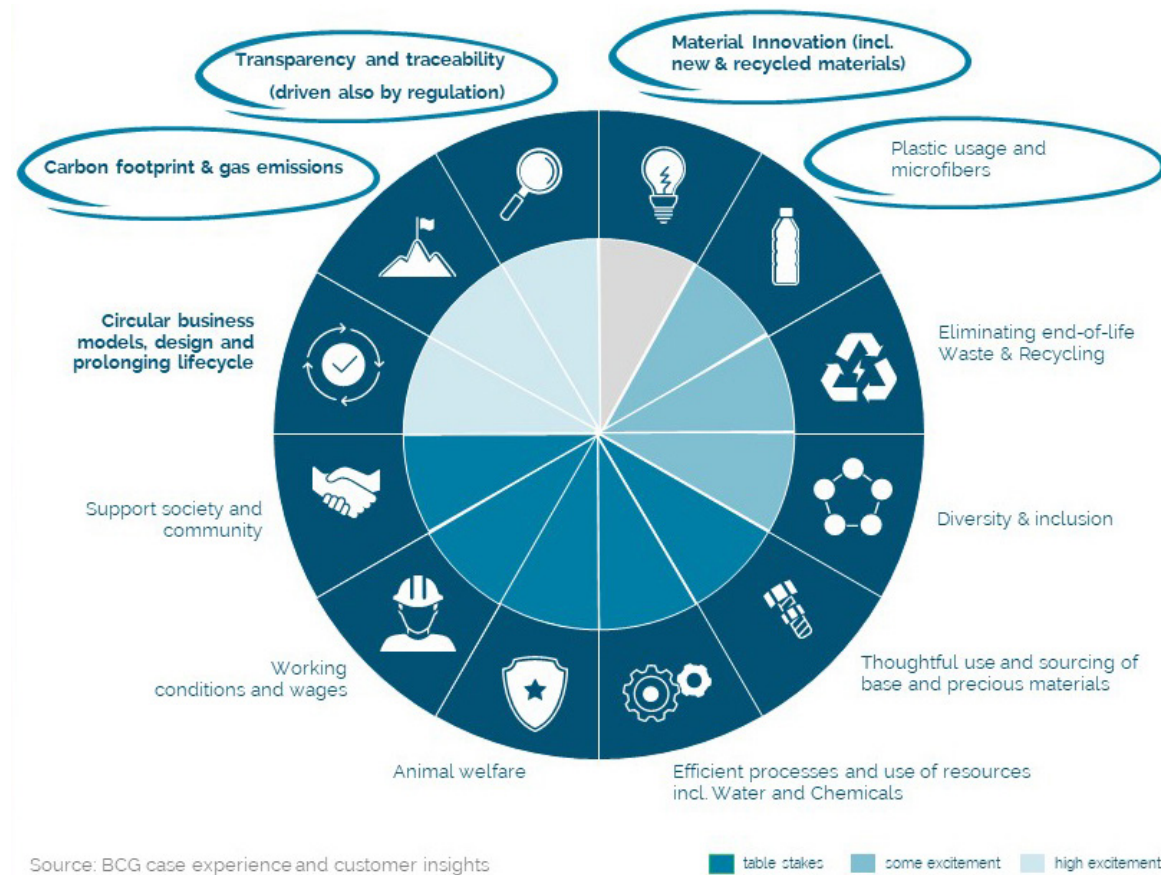
Major political, macroeconomic, and social challenges such as the ongoing war in Ukraine, the Covid-19 pandemic, racial and social justice movements, and the current cost of living crisis have highlighted the interplay between geopolitics, human rights, and responsible sourcing. At the same time, emerging regulation of responsible business conducts signals that businesses across sectors are expected to step up to address today's critical social sustainability challenges. Given its wide range of business activities, intricate supply chains, and global scale, the watch and jewellery industry has a unique responsibility and opportunity to address issues at the heart of sustainable business – human rights, gender equality, and livelihoods.

Watch and jewellery companies are well aware of the many critical human rights risks in their industry – from health and safety concerns in artisanal and small-scale mining<sup>1</sup> to human rights violations related to the sourcing of precious metals and gemstones in conflict-affected and high-risk areas, for example, scrutiny of how watch and jewellery companies are meeting their responsibility to respect human rights is increasing as a result of emerging regulations and growing stakeholder expectations. For instance, the EU Corporate Sustainability Due Diligence Directive<sup>2</sup> will require companies operating in the EU to report on human rights and environmental due diligence efforts from 2026-2028 onwards, leading to increased action and transparency on human rights.

At the same time, new technological advancements such as laser technologies and blockchain, which are already employed by companies including Boucheron and the De Beers Group, can improve traceability of gemstones and provide brands with more detailed information about origin, setting a foundation for respect of human rights in the industry.

- 1 [Reducing Mercury Pollution from Artisanal and Small-Scale Gold Mining](#)
- 2 [Council adopts position on due diligence rules for large companies](#)

REMINDER:  
CUSTOMERS HAVE  
CLEAR EXPECTATIONS  
OF CURRENT PRIORITY  
TOPICS FOCUS ON HIGH  
EXCITEMENT AREAS





Despite regulatory actions to improve gender representation on the boards<sup>3</sup> of listed companies throughout the EU and increased requirements for companies to report on DEI targets including gender as part of the EU Corporate Sustainability Reporting Directive<sup>4</sup>, gender equality is far from achieved. The World Economic Forum estimates that it will take around 132 years to achieve gender parity at the current rate of progress<sup>5</sup>. As women play a central role in the watch and jewellery industry – as consumers, designers, employees, and supply chain workers – the industry is well positioned to promote gender equality through collaborations and initiatives that pool funding and share governance to build economic resilience of women, deliver women's empowerment programs in the workplace, and improve education and market access for women in mining communities. While progress is slow, broad corporate support for the UN Women's Empowerment Principles<sup>6</sup> signals that companies are already taking serious action on women's empowerment and gender equality.


Finally, growing economic inequality, exacerbated by the Covid-19 pandemic, global population growth, and climate change, threatens the livelihoods of underserved communities globally, who are often represented in the deeper tiers of watch and jewellery supply chains. Against this backdrop, luxury and discretionary spending have become criticized, taxed, regulated, spurring exploration in the business world of alternative business and growth models that include circularity, degrowth and decoupling. In addition, regulators, investors, and civil society

3 [Gender balance on corporate boards](#)

4 [Corporate sustainability reporting](#)

5 [Global Gender Gap Report 2022 | World Economic Forum](#)

6 [Women's Empowerment Principles](#)



alike are calling on companies to ensure they commit to living wages and income. The business community is already responding to many of these calls for action by implementing strong living wage commitments throughout their supply chains, pursuing alternative growth models or B Corp certification, or better aligning business and philanthropic strategies.

In light of growing regulatory and stakeholder demands for responsible business conduct, watch and jewellery companies must convene to address systemic social sustainability challenges including human rights, gender equality, and livelihoods. By bringing together global brands, suppliers, experts, and stakeholders in the watch and jewellery ecosystem, the Watch & Jewellery Initiative 2030 is uniquely positioned to promote inclusive and responsible value chains through dedicated programs to promote respect for human rights, on-the-ground projects to improve livelihoods in ASM and other mining communities, and partnerships to advance women's economic empowerment.

## 1.6 EXPERT PERSPECTIVE



Dr. Anino Emuwa

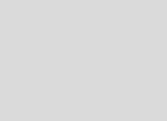
FOUNDER OF 100 WOMEN AT  
DAVOS & MANAGING DIRECTOR,  
AVANDIS CONSULTING

Studies of the watch and jewellery sector show that consumers are expressing preferences for brands that act responsibly and value diversity. In this era of heightened social consciousness, the Watch and Jewellery Initiative 2030 (WJI 2030) is uniquely positioned as a platform to drive positive change and to help the industry demonstrate its commitment to inclusiveness. Inclusion also represents an opportunity for the industry to better align with the evolution of its customer base.

Three areas for consideration in terms of inclusiveness are: gender-balanced leadership, youth and technology, and economic inclusion.

**Gender-balanced inclusive leadership** favours improved performance and decision-making for organisations. Women bring unique perspectives and skill sets that are critical to achieving sustainability and innovation, yet underrepresentation of women in management and leadership positions persists in the industry. The WJI 2030 can guide the industry towards closing this gender gap through the identification of barriers to progression and outlining the steps to improve the pipeline of women towards managerial positions through to the C-Suite and the board level. Women are the most important customer segment for the industry, and their growing economic power is an opportunity the industry can better tap into by reflecting gender balance. Inclusion is multifaceted and the industry should also seek to address intersectionality and under-representation across all minority groups.

A second consideration relates to younger generations – **Millennials and Generation Z** – who are not only at the forefront of the social consciousness and sustainability movement, but also represent a source of technological talent and an increasingly powerful consumer-base. The acceleration in digital transformation witnessed during the pandemic is also fuelling the development of the next iteration of the internet: Web3 and the Metaverse. Whilst still in their early stages, brands exploring these emerging



technologies will rely heavily on talent drawn from the younger generation and need to demonstrate social awareness to retain their attractiveness as employers.

Lastly, **economic inclusion and sustainability** in the sourcing of materials with respect to artisanal and small-scale mining (ASM) is a topical issue. As major source of income for many communities especially in lower income countries, ASM is often associated with environmental degradation and human rights violations, with women and children particularly affected. By promoting responsible sourcing, the industry can shake off negative images, support improved income flow to these communities, and become a motor for sustainable development.

Inclusion reflects both an opportunity and a social responsibility for an industry with rich cultural and historical heritage which can help to accelerate the transition towards the realities of the social, economic, and technological developments of today's world. The rapid growth in membership of the WJI 2030 reflects the industry's interest in embracing the SDG agenda, and it will be exciting to see how this unfolds in the coming years.

## 2 EXECUTIVE SUMMARY

When Kering and Cartier founded the Watch & Jewellery Initiative 2030 (WJI 2030), the ambition was clear: to bring together the global watch and jewellery industry to lead a sustainability transformation with positive and lasting impact in three areas: climate, nature and people. The confluence of recent crises has heightened the sense of urgency around advancing the 2030 Agenda for Sustainable Development and the opportunity and responsibility for business to take a leading role – supported by an increasing number of regulations and growing stakeholder expectations.

Today the WJI 2030 has 35 members and is fast advancing towards launching collaborative action projects around its three strategic pillars: building climate resilience, preserving resources and fostering inclusiveness (Chapter 3).

Stakeholder engagement (Chapter 4) is a key priority for multi-stakeholder initiatives and has therefore been a focus for WJI 2030 since the Executive Director came on board in June 2022. Over 80 organisations took part in this multi-stakeholder consultation that has surfaced clear priority issues with respect to governance, leadership, strategy, and operations. The stakeholder feedback has already informed aspects of WJI 2030 governance such as the multi-stakeholder/NGO representation with voting rights on the Board, the necessity of an independent and external risk and compliance committee, the strong focus on establishing a rigorous ESG data framework, and the importance of working closely with suppliers on the ground. An external B Corp-certified legal counsel was appointed in October 2022 to ensure best practice in governance.

WJI 2030 followed a rigorous process to arrive at a governance model (Chapter 5) that embodies and safeguards WJI 2030's core values of Transparency, Integrity, Respect for Human Rights, Courage, Accountability, and Partnerships. It is built on a stringent set of policies and procedures



•

and three governance-related committees: the Risk & Compliance Committee, the Multi-Stakeholder Engagement Committee, and the ESG Committee. Aspiring and existing members are subject to an in-depth due diligence process to ensure the integrity and effectiveness of the WJI 2030.

WJI 2030 is built on a collaborative model. Our partnerships with United Nations Global Compact on the Solutions Lab, UN Women on WEPs implementation, ESG Book on transparency reporting, and learning from other industries, such as our alignment with the Global Fashion Agenda, demonstrates our vision of a initiative that builds strength through the positive power of the collective.

The success of the WJI 2030 will depend on the level of commitment and actions members are willing to take in a multi-stakeholder environment and the measurable progress achieved – it will be a challenging and exciting journey ahead.



## 3 VISION & MISSION

### 3.1 THE WJI 2030

It is in this spirit of urgency and the need for more collaboration and partnerships that the Watch & Jewellery Initiative 2030 was founded. We believe it is a time of immense opportunity to work together to implement the 2030 Agenda within our member companies and the broader industry and suppliers' ecosystems.

Driven by a common conviction that the Sustainable Development Goals (SDGs) and aspiration for a sustainable watch and jewellery industry can only be achieved through collaborative initiatives, Cartier, delegated by Richemont, and Kering, came together to launch the Watch & Jewellery Initiative 2030.

The Watch & Jewellery Initiative 2030 brings together key players in the industry across the globe to begin a collective journey towards a low-carbon future and ensure the industry creates positive outcomes for the planet and for people.

WJI 2030 welcomes all watch and jewellery brands with a national and international footprint willing to commit to a set of ambitious and common objectives in three areas: **building climate resilience**, **preserving resources**, and **fostering inclusiveness**, no matter their starting point, market segment or position in the value chain. Members commit to shared goals and collaborative action with the intent of enabling industry transformation and innovation towards a vision of sustainability and excellence.



### 3.2 THE 2030 AGENDA

#### THE UN SDGs:



The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a "shared blueprint for peace and prosperity for people and the planet, now and into the future".<sup>1</sup> At the heart of the agenda are the 17 Sustainable Development Goals (SDGs) that are built around the ambition to leave no one behind and that contain specific targets for each goal. The SDGs also emphasize the interconnected nature of environmental, social and economic aspects of sustainable development. Ending poverty and other deprivations must go hand in hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Almost eight years on, we have made some progress, but the need is urgent to do more and to accelerate progress. According to the Sustainable Development Goals 2022 Report, the confluence of recent crises, dominated by COVID-19, climate change, and conflicts are putting the 2030 Agenda for Sustainable Development at risk and have reversed previous progress towards eradicating poverty and hunger and improving access to health and education.<sup>2</sup>

Climate change continues to threaten humanity's survival and its adverse impacts undermine the ability of all countries to achieve sustainable development. The latest assessment by the Intergovernmental Panel on Climate Change (IPCC) from April 2022<sup>3</sup> shows that if we continue the current trajectory of emissions, global warming will reach 2.7° Celsius by the end of the century, compared to the average

1 [THE 17 GOALS | Sustainable Development \(un.org\)](https://unstats.un.org/sdgs/report/2022/)

2 <https://unstats.un.org/sdgs/report/2022/>

3 <https://www.ipcc.ch/report/ar6/wg2/>





figure in the pre-industrial era. This is nearly twice the 1.5° Celsius limit agreed to in the 2015 Paris Climate Agreement and would have devastating effects in the form of extreme weather, rise in sea levels, droughts, rising food prices, as well as widespread and irreversible loss of biodiversity.

Developing countries and vulnerable groups are worst affected by the lack of progress and we have seen rising levels of inequality and inequity in recent years with respect to income, wealth and wellbeing.<sup>4</sup> Gender inequality, in particular, remains a key challenge, despite the widespread recognition that the empowerment of women and girls will make a crucial contribution to progress across all of the SDGs.<sup>5</sup> Ensuring the respect for human rights for all people and protecting vulnerable groups thus remains a central focus of the 2030 agenda.

Urgent action is needed and multi-stakeholder partnerships remain an effective tool to make progress against the complex challenges we face by sharing expertise and resources, and aligning around common goals and collaborative action, in line with Goal 17, “partnerships for the goals.”

<sup>4</sup> [The World Inequality Report 2022](#)

<sup>5</sup> [Progress on the Sustainable Development Goals: The gender snapshot 2022](#)

### 3.3 LIVING OUR VALUES

Our core values remind each of us what we aspire to be as an organisation, and how we want to work together collectively to accelerate the 2030 agenda.

#### TRANSPARENCY

We build a culture where employees, members and key stakeholders openly communicate with their peers and exchange learnings and best practices. We are honest about what we do, which includes talking openly about the challenges we encounter along the way.

#### COURAGE

We are courageous and ambitious leaders, thinking big and taking urgent action to improve the world and achieve the 2030 agenda. We have the confidence to innovate and challenge each other and move together in partnership to deliver positive impact and leave no one behind.

#### RESPECT FOR HUMAN RIGHTS

Our members, employees and service providers must respect human rights and labour laws, and comply with laws and regulations on the environment, health and safety in all their countries. We treat members, partners, staff, volunteers, and the public with respect and dignity, valuing and promoting different opinions and perspectives to make decisions consistent with our values, and create a safe space to grow and learn.

#### INTEGRITY

We act with integrity and loyalty and apply the highest moral and ethical principles in our work together. We demonstrate compliance with all relevant legislation and regulations and treat each other with fairness and respect. Integrity is essential to building trust, which is the glue that holds us together.

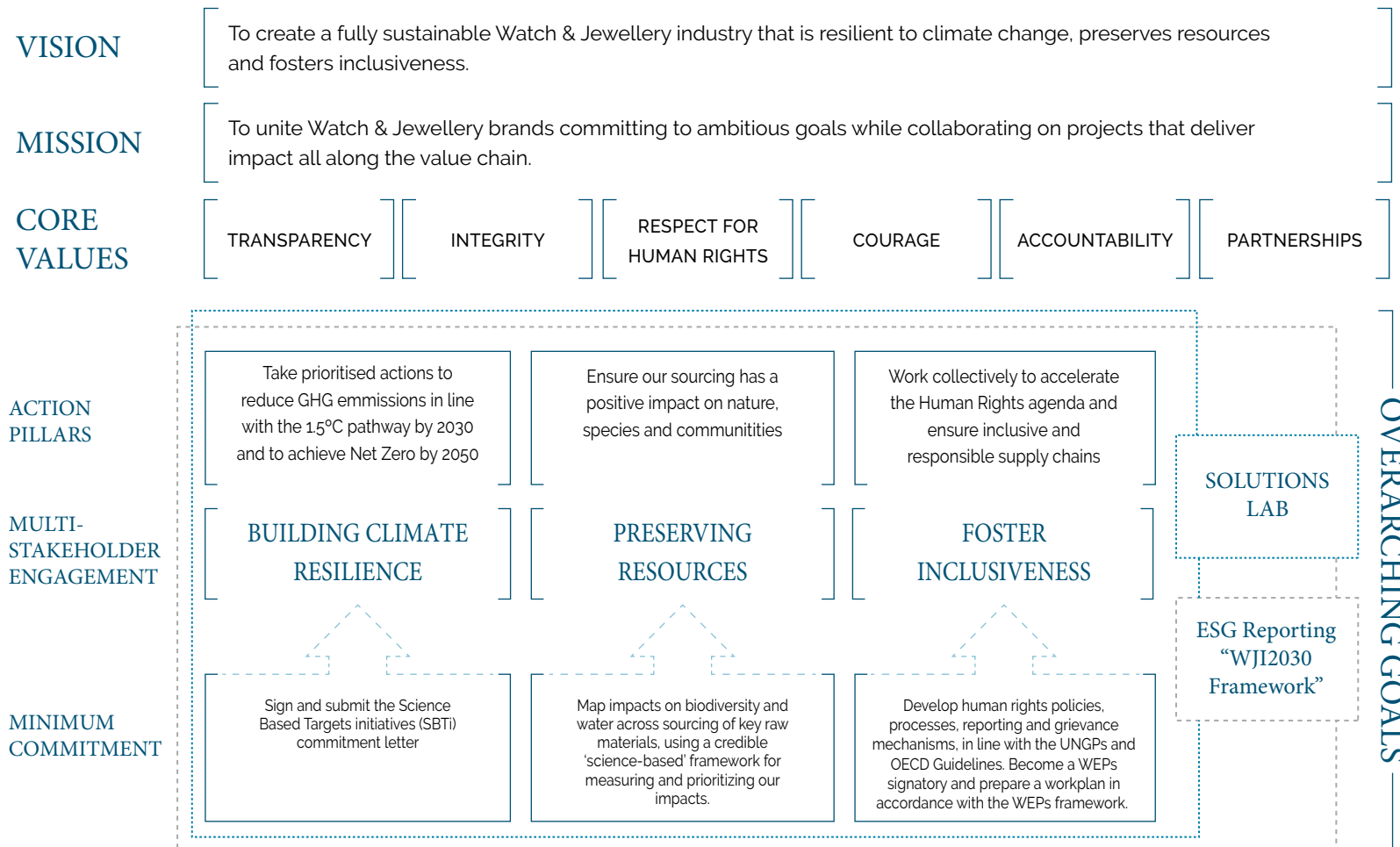
#### ACCOUNTABILITY

We commit to the success and well-being of our members and key stakeholders and accept full responsibility for our actions. We hold ourselves accountable for delivering results on the commitments made under the three strategic pillars and regularly report on our progress.

#### PARTNERSHIPS

We relate to our stakeholders as partners and communicate and consult with them on a regular basis. We collaborate with a range of organizations and initiatives that share our commitment to a sustainable watch and jewellery industry and our three pillars. These partnerships are built on mutual respect, trust and kindness, and a relentless commitment to impact.

### 3.4 STRATEGY



#### UN GUIDING PRINCIPLES:

- Human Rights
- Labour
- Environment
- Anti-Corruption

#### UN SDGs:



#### WOMEN'S EMPOWERMENT PRINCIPLES:



### 3.5 KEY MILESTONES



### 3.6 EXPERT PERSPECTIVE



INTERVIEW WITH

Georg Kell

CHAIRMAN OF ARABESQUE,  
FOUNDING EXECUTIVE  
DIRECTOR OF UNITED NATIONS  
GLOBAL COMPACT

Georg Kell is considered one of the fathers of environmental, social and governance (ESG) investing. In his recent book, *Sustainable Investing: A Path to a New Horizon*<sup>1</sup>, he looks at the historic convergence between corporate sustainability and ESG-lens investing as a force for good that helps drive systemic market changes.

Since his retirement from the United Nations as the Founding Director of the Global Compact, Georg has been advising executives from diverse industries on questions of business transformation and sustainability. For over 5 years, he has been [chairing the Volkswagen Sustainability Council](#)<sup>2</sup> and [working to lead the company out of its crisis following the "dieselgate" scandal in 2015](#).

#### What are in your view the main drivers that will determine if we can accelerate the 2030 agenda?



In my mind, there are three forces, and they're universal. They play out across all countries and regions and they're irreversible, at least in the short or medium term. The first is technology. Clearly the pace of innovations has been accelerating. Technology allows transparency. It allows measurement and quantification of externalities. We couldn't handle that just a few years ago. What's happening right now is nothing short of a revolution, especially in the world of finance where big data, self-learning and AI are now kicking in to make sense out of ESG factors and offering much deeper insights into risks and opportunities. This is helping financial analysts who may not necessarily have the knowledge about ESG issues, but want to apply some off-the-shelf tools. Secondly, we have the concept of the nine planetary boundaries that provide a safe operating space for humanity, as developed by climate scientist Johan

<sup>1</sup> [Sustainable Investing: A Path to a New Horizon](#)

<sup>2</sup> [Volkswagen Sustainability Council](#)

<sup>3</sup> [The VW Emissions Scandal](#)






Rockström, a contributor to the book. The boundaries include climate change, biodiversity loss and extinction, land-system change, freshwater use, and ocean acidification, among others. Crossing these boundaries increases the risk of generating large-scale abrupt or irreversible environmental changes. We are just now realizing that the pace of disruption to these planetary boundaries is happening much faster than even scientists have predicted, as we see with the wildfires in California now and the ones in Australia earlier this year. The third force, and this also makes me feel positive, is young people. I have lived in the U.S. for over 30 years, and I am delighted that young people are taking to the streets around social issues. It shows they care about their future and they want to contribute to the public good. This intergenerational change is powerful.

### How can the WJI 2030 play a key role in driving the sustainability agenda forward for the global jewellery & watch industry?

The WJI 2030 is an ambitious coalition co-founded by 2 very committed players Kering and Cartier and has now a broader foundation with enough playing field from the CEOs to lead the journey together. And if you have the ambition, you design the leap for the future. Now it is about action on the ground and translating this ambition to a systematic pragmatic roadmap for your members and share your learnings with the broader industry. We have now reached a point where it is possible for your initiative to create real catalytic synergies. Before, there was a clear separation between the role of governments, who were responsible for society's well-being and the preservation of common resources, and the role of business and corporations, whose goal was to purely maximize their economic profit for their shareholders, with a short-term time horizon. Now the boundaries between public and private interests are increasingly blurred. Your initiative can be a key action and learning platform for the private sector and policy makers.



Your strategic partnership with UN Global Compact on SME Strategy is a great step to be in that role. The future success will lie in the ability to recognize the overlap and build bridges with your key stakeholders.

### Why is it so important for WJI 2030 to lead on the ESG Framework development and reporting?

ESG data is to the finance world what the X-ray was for medicine when it was first introduced, that is, it tells us what lies beneath the surface of corporations. Comparability in ESG data is driven by regulators. The European Union is in the process of defining minimum standards of ESG disclosure for companies and asset managers. The United States Securities and Exchange Commission has recently opened consultations for potential disclosure rules or guidance on climate change and ESG. Broader and more consistent disclosure, especially of carbon emissions and financial risks of climate change, will bring more clarity. These trends will ease the burden for companies.

Today, businesses spend significant time and capital to respond to myriad requests for information from investors, raters, and other stakeholders. More consistent reporting expectations and new technology will allow companies to track ESG information vital to their business strategy and enhance their management of ESG risks and opportunities. Analyses of ESG factors will become more, not less relevant as data improves and these relationships become better defined. The barriers to these deeper understandings are today being lowered through technology and regulation. The result will be to create new mindsets for adjusting valuations in line with current and emerging global changes. ESG 2.0 is in the making. WJI 2030 can give a safe learning platform for its members and the wider industry. I am happy to hear that the WJI 2030 ESG Workstream has kicked off and I look forward to hear the learnings and challenges. Reporting is critical in building trust and strengthening transparency!



## 4 STAKEHOLDER ENGAGEMENT

The Watch & Jewellery Initiative 2030 was set up as an industry sustainability initiative working through multi-stakeholder partnerships, to bring together knowledge and voices from inside and outside the industry and to jointly develop solutions in the most effective and inclusive way. As such, since WJI 2030's foundation in April 2022, we have included feedback from key stakeholders in our work to define the initiative's objectives, governance, and ways of working.

### 4.1 METHODOLOGY

This first round of stakeholder consultations was undertaken with a focus on:

1. Developing an effective and inclusive governance mechanism
2. Receiving feedback on WJI 2030's mission and vision and prioritising actions under the three strategic pillars of the initiative: building climate resilience, preserving resources and fostering inclusiveness
3. Identifying challenges and opportunities for WJI 2030
4. Exploring partnership opportunities

As a first step we identified the key stakeholders for WJI 2030 to include in the consultations. They fall into eight broad groups: WJI 2030 member companies, business partners, industry associations, sustainability platforms and coalitions, sustainability experts, civil society, government/policy makers, and academia (see the Acknowledgements section for the list of organisations).

The stakeholder meetings and two member workshops were held between September 2022 and February 2023. The meetings were conducted in person or via video conference and in 95% of the meetings a third-party expert was present. The consultations were complemented by a review of sustainability trends in the luxury industry, including consumer expectations of brands.

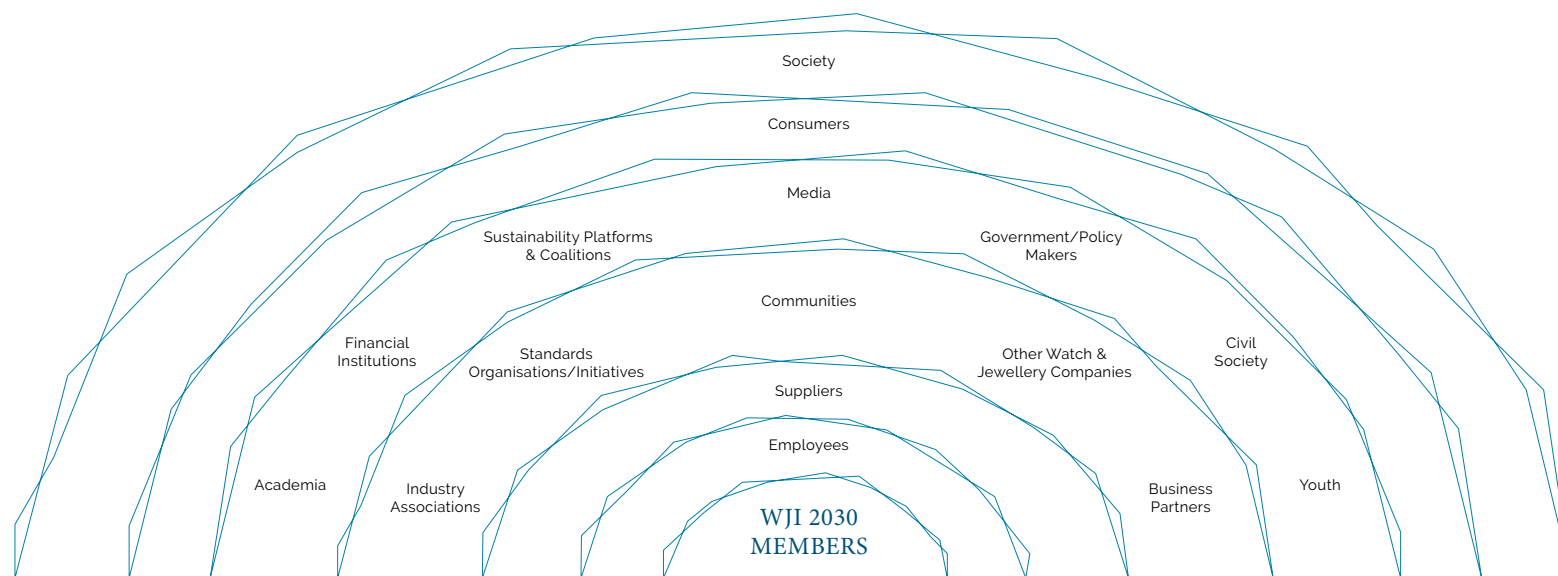
Ongoing stakeholder engagement and dialogue is central to the functioning of the WJI 2030 and part of our ongoing multi-stakeholder engagement strategy called 'Stronger Together – up to 2030'. We are planning regular stakeholder consultations and processes on key topics such as climate change, human rights, gender and ESG reporting that will be independently facilitated. The next round of stakeholder consultations is foreseen to happen in Q4 2023.



## 4.2 STAKEHOLDER MODEL

WJI 2030 has included a variety of key stakeholders in the consultation process, ensuring input and feedback is received from the watch and jewellery industry at large, as well as the broader industry, including civil society, academia and more.

We all function in an ecosystem where trust and transparency are critical to deliver our promise to the consumer. All stakeholders across the value chain contribute to consumer confidence. This is a shared responsibility that requires strong collaboration more than ever.



Graphic 1: WJI 2030 Stakeholders



### 4.3 MATERIALITY & PRIORITY TOPICS

Stakeholder priorities are constantly changing, and we must continually evolve to meet expectations. Conducting a thorough materiality exercise helps us identify and prioritise the topics that matter most to our organisation and stakeholders.

We tailor our activities based on the results of the assessment, aiming to address those issues identified as being most material to WJI 2030. These topics should not be viewed in isolation – they are increasingly interconnected and can often impact each other. This is why we are moving more towards a more integrated, holistic approach in managing sustainability, developing ambitious goals to advance climate action, preserving resources, and leading on inclusiveness.

The consultations helped identify several priority issues that cover specific actions and focus areas with relation to the governance and leadership of the WJI 2030, strategy and operations as well as the 3 strategic pillars. This list of priorities is a first view of key focus areas and challenges to address for WJI 2030 while being in no way exhaustive.

#### GOVERNANCE & LEADERSHIP:

Key focus areas include C-level leadership, building a think tank, multi-stakeholder committees and representation on the Board incl. Civil Society, robust member due diligence, political independence, anti-trust, agile governance, inclusion of sourcing communities, the importance of trust, no conflicts of interest, building partnerships with key organisations, ongoing consultation with key policy makers, and showing best practice on transparency.

## STRATEGY & OPERATIONS:

Key focus areas include building on and aligning with existing initiatives, including supplier communities and encouraging co-investment, facilitating shared data and reporting, embedding ESG in business strategy and culture, supplier capacity building, encouraging a unified approach to supplier due diligence, measurable impact, specific collective action projects, practical solutions and thought leadership, transparency around challenges, anticipating updates on regulations.



The most important topics for stakeholders and WJI 2030's success in the areas of Governance and Leadership, and Strategy and Operations that emerged from the consultations are shown in the graphic below:

GOVERNANCE AND LEADERSHIP	STRATEGY AND OPERATIONS
<ul style="list-style-type: none"><li>• Be an advocate on the three strategic pillars: climate resilience, preserving resources and inclusiveness</li><li>• Lead on gender equality and diversity and inclusion</li><li>• CEO leadership and think tank</li><li>• Multi-stakeholder representation in committees and on the Board</li><li>• Integrate the voices of youth</li><li>• Independent due diligence</li><li>• Robust governance processes</li><li>• Diversity in multi-stakeholder committees</li></ul>	<ul style="list-style-type: none"><li>• Focus on operationalisation of key topics on climate, biodiversity and inclusiveness</li><li>• Develop strong partnerships to optimize resources and deliver results on the ground</li><li>• Work with supplier communities to develop practical frameworks that drive progress across the value chain</li><li>• Encourage companies to support ASM communities and engage with ASM communities through partnerships</li><li>• Lead on transparent reporting in an evolving regulatory landscape</li><li>• Develop unified approaches to due diligence</li><li>• Integrate education across all strategic pillars and provide practical tools</li><li>• Embed ESG into strategy</li></ul>



## STRATEGIC PILLARS

Through the consultations we also received valuable feedback and input on what our stakeholders consider to be priority areas under the three strategic pillars. The issues that we've heard are listed below and will help define the action and focus of our work under each of the three pillars:



### BUILDING CLIMATE RESILIENCE:

Science-based targets (SBTs), energy efficiency and renewables, Scope 1, 2 and 3 emissions, carbon capture, regenerative agriculture, adaptation, inclusion of suppliers in the climate journey, blueprint for climate action for SMEs



### PRESERVING RESOURCES:

Building awareness of nature and biodiversity imperative, livelihoods in sourcing communities, embedding circularity in value chains, develop blueprint for biodiversity



### FOSTERING INCLUSIVENESS:

Clearer targets for this pillar, prioritize human rights and gender equality, human rights due diligence in supply chain/ sourcing, operationalising international standards (UNGP<sup>1</sup>, OECD Guidance<sup>2</sup>), focus on ASM<sup>3</sup> communities, diversity, equity & inclusion (DEI)

<sup>1</sup> [United Nations Guiding Principles on Business and Human Rights](#)

<sup>2</sup> [OECD Due Diligence Guidance for Responsible Business Conduct and OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)

<sup>3</sup> Artisanal and small-scale mining

#### 4.4 ACTIONS & RECOMMENDATIONS

The insights from the stakeholder consultations have already informed specific decisions and actions, such as:

##### GOVERNANCE & LEADERSHIP:

- Civil society is included in the governance through WJI 2030's Multi-Stakeholder Engagement Committee, whose Chair will have a seat on the Board with voting rights.
- We have appointed an independent B Corp-certified legal counsel who is heading the governance of the Board and Committees.
- We have a rigorous membership application and vetting process in place.
- WJI 2030's Risk and Compliance Committee is fully independent and we are implementing an effective grievance mechanism.
- We have developed an anti-trust policy which is embedded in the WJI 2030 Code of Conduct; an independent legal expert attends member workshops, board meetings and the General Assembly; an anti-trust report will be made on a yearly basis.
- We will continue to review the draft governance structure on an ongoing basis, with a view to simplifying it for agility and effectiveness while protecting the integrity of the framework. We will report back annually on our governance model and the results achieved.
- We will be launching a CEO Forum to ensure top-level engagement and leadership of the initiative; we will also invite key CEOs from outside the initiative. The first CEO forum is planned for the 13th of June 2023 in Paris.



## STRATEGY & OPERATIONS:

- The identification of specific collective action projects is part of the ongoing work to develop the roadmaps under each of the three strategic pillars; we will launch the different pathways by June 2023. We have partnered with the Boston Consulting Group and BSR to guide us on this ambitious journey.
- Three workstreams have already been launched on ESG, Gender Equality, and Biodiversity.
- We focus on action and measurable impact driven by committed members rather than maximising the number of members.
- We are partnering with ESG Book to build a shared ESG data platform for members to learn and evolve together to improve reporting.
- We are partnering with key associations including BJOP and CIBJO on supplier capacity building, with a focus on climate, biodiversity, and human rights due diligence.
- We have developed a partnership with United Nations Global Compact and we are shaping a Small Medium Enterprise ("SME") SDG 2030 Solutions Lab.
- We have launched a pilot with UN Women WEPS to develop pilot projects on key topics such as climate, human rights, decent labour, and gender equality with a vision to scaling them up once proven.

The insights from this first engagement process are included in the ongoing development of our strategy and will be supplemented and reviewed through our continual stakeholder engagement process.

## 5 GOVERNANCE

We recognize, and strongly believe, that a solid governance framework within the WJI 2030 is mission-critical to establish a solid ecosystem for our members to operate in and support us on our journey in delivering measurable impact. Acting with integrity and transparency therefore serves as the foundation for all of WJI 2030's activities.

### 5.1 METHODOLOGY

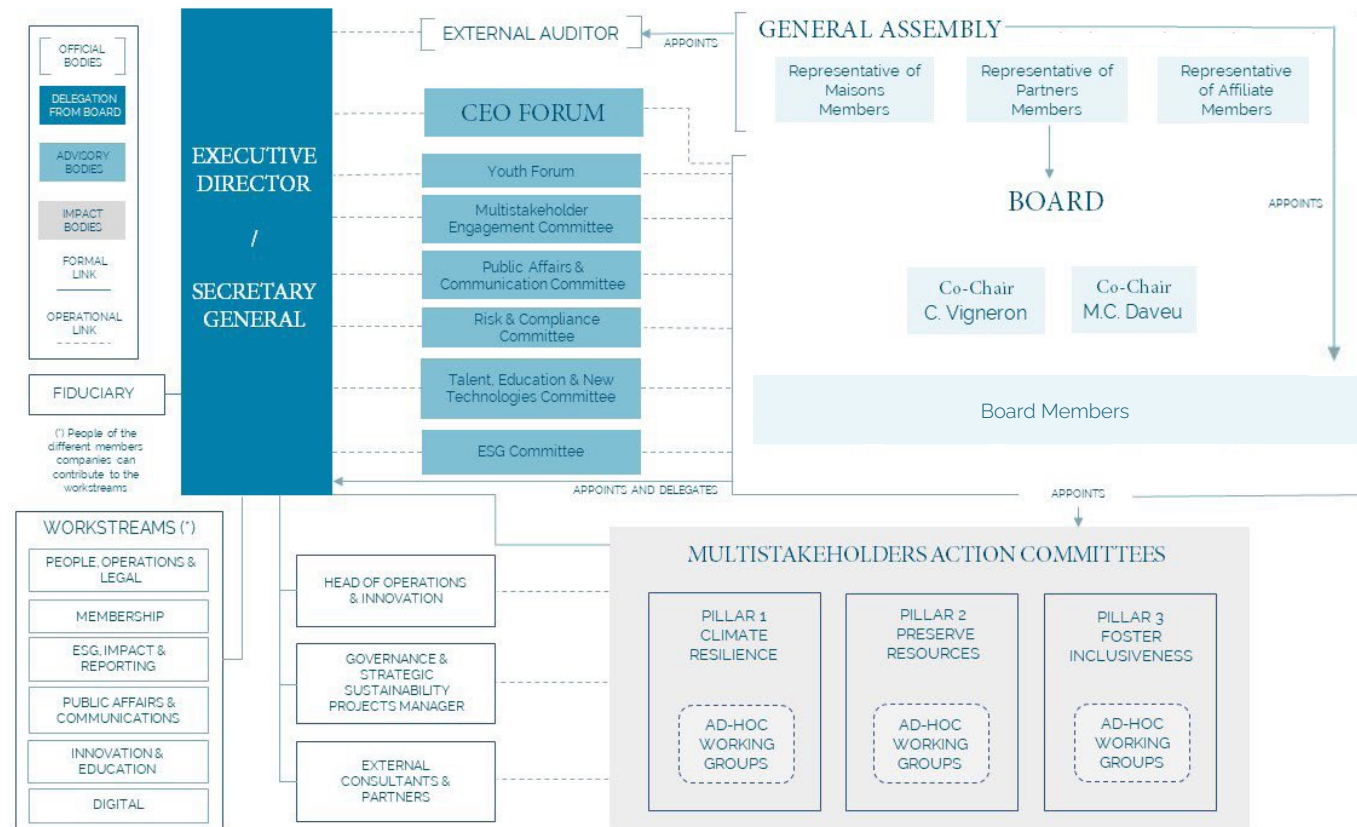
To determine our governance structure, we first identified topics that were potentially relevant for WJI 2030, covering governance and integrity aspects. These were derived from internal discussions and exchanges with experts and advisors; the analysis of governance structures and practices of similar organisations; and a review of global governance trends as well as relevant standards and frameworks.

This research and analysis allowed us to draft an initial governance structure for WJI 2030 that was then shared with key stakeholders through our stakeholder engagement process for feedback and further input. The conversations added valuable insights on the topics identified as relevant, as well as on topics seen as likely to gain importance in the short to medium term.

Following the stakeholder consultations, we further adapted the governance structure before presenting it to the WJI 2030 Board.

## 5.2 OUR APPROACH

On the 15th of December 2022, the WJI 2030 Board reviewed and validated the governance structure as demonstrated in the graphic below:



Responsible operations start with compliance. We take steps to ensure that all our activities adhere to relevant laws, regulations, and ethical standards. We integrate governance and integrity principles into all levels of our initiative through policies & procedures as well as governance committees.

### 5.2.1 POLICIES & PROCEDURES

We conduct our business in adherence to a set of stringent policies and procedures approved by our Board.

#### CODE OF CONDUCT:

The principles set out in the WJI 2030 Code of Conduct<sup>4</sup> provide an ethical framework for all the actions of the WJI 2030, including all Members (Maison members, Partner members and Affiliate members), Board members, employees and partners, and we expect exemplary behaviour from all, while fully respecting the commitments set out by the Code.

#### ANTI-TRUST:

The WJI 2030 acknowledges that its activities must at all times be undertaken in compliance with all applicable laws and regulations, including but not limited to laws and regulations relating to anti-trust and competition. These laws are intended to preserve and promote free, fair and open competition and any failure to abide by such laws can potentially have serious consequences for the WJI 2030, its employees, its members, and service providers. Our anti-trust policy is embedded in the Code of Conduct and we will publish an anti-trust report on an annual basis. It is important to mention that an anti-trust lawyer is present at the members workshops and a report is made accordingly.

4 [WJI-Code-of-Conduct.pdf](#)



## CONFLICTS OF INTEREST:

We further ensure that conflicts of interest are avoided and managed. This is done through our Conflicts of Interest Policy, mandatory disclosure of actual or potential conflicts and a yearly questionnaire for Board and Committee members. All must avoid situations where their professional judgment may come into conflict with their personal interests or the interests of the organization for which they work.

## COMPLAINTS & GRIEVANCE:

Employees of WJI 2030, members, applicant members, WJI 2030 partners or any other external stakeholders may use the WJI 2030 Grievance Mechanism to raise concerns on issues related to the Articles of Association, Code of Conduct, Membership Procedure and requirements, WJI 2030 intellectual property or the mission and goals of the WJI 2030.

## COMPLIANCE VIOLATIONS:

Potential compliance violations are resolved in line with our policy. In the event of violations, all appropriate and legally permissible measures up to the extraordinary termination of employment relationships, or Membership can be taken. Retaliation against employees or external persons who, in good faith, express concerns is prohibited and itself represents a serious violation of the WJI 2030 Code of Conduct.



## DATA PROTECTION, INFORMATION SECURITY, AND CYBERSECURITY:

Protecting personal rights is a high priority for the WJI 2030 and is therefore part of the Code of Conduct and the Data Privacy Charter. It handles the processing of data belonging to Members, business partners and employees with the greatest care and sensitivity. The corresponding processes comply with Swiss data protection law and the European General Data Protection Regulation.

The WJI 2030 uses a range of digital technologies in an effort to optimize internal processes and the membership journey, as well as to enable innovation in reporting. We have developed a digitalisation strategy and roadmap in compliance with data protection and privacy regulations to guide our use of digital technologies and have appointed a data protection officer.

## MEMBERSHIP PROCESS AND DUE DILIGENCE:

The WJI 2030 follows a robust membership application and due diligence process. WJI 2030 Members commit to trust-building amongst themselves and assume a shared responsibility for the reputation of WJI 2030 membership.

Due diligence is carried out for the purposes of gaining a clear understanding of the potential member and determining any associated risks to safeguard the integrity and reputation of the initiative, while also reducing the risk of accepting members that are not committed to the WJI 2030 values and vision.

Due diligence shall include research in relation to a number of factors including (but not limited to):



industry reputation, negative press and media, economic and trade sanctions, Know Your Counterparty (KYC) / Anti-Money Laundering (AML), Politically Exposed Persons (PEPs), corruption, operations in conflict affected and high-risk areas, Human Rights related issues, environmental concerns, social concerns, publications by the entity.

Due diligence is undertaken at several stages by the WJI 2030: initial, on-going, and ad-hoc.

Due diligence comprises a first check using a specialised due diligence tool, and where necessary, an additional/enhanced due diligence process carried out by an independent third party if deemed necessary.



Pictured left to right: Iris Van der Veken, Executive Director & Secretary General of WJI 2030, Bernadette Pinet-Cuoq, Executive President of UFBJOP, Cyrille Vigneron, President & CEO, Cartier - WJI 2030 Co-Chair, Gaetano Cavalieri, President of CIBJO

### 5.2.2 GOVERNANCE RELATED COMMITTEES

#### RISK & COMPLIANCE COMMITTEE:

The purpose of the Risk & Compliance Committee is to provide oversight and, where appropriate, provide advice and recommendations to the Board on the implementation and operation of WJI 2030's compliance framework.

The Risk & Compliance Committee is made up of independent recognized experts with relevant experience in the fields of legal and/or compliance, due diligence, anti-money laundering and KYC, auditing, investigation, grievance mechanisms.

The Committee's duties include:

1. Overseeing WJI 2030's compliance framework, including, with the appropriate members of management, review of the practices and procedures in relation to industry standards and legal requirements.
2. Reviewing and monitoring the effectiveness of WJI 2030's Compliance Framework.
3. Reviewing the WJI 2030's approach to, and results of, risk identification, assessment and mitigation plans for the principal compliance risks facing the WJI 2030.
4. Overseeing significant complaints and other matters raised through the WJI 2030's grievance mechanism in accordance with the WJI 2030 Grievance Policy.



## THE MULTI-STAKEHOLDER ENGAGEMENT COMMITTEE:

The multi-stakeholder approach is central to the principles and operations of the WJI 2030, and it is reflected in how the WJI 2030 is governed and conducts its projects. The purpose of the Multi-Stakeholder Engagement Committee is to represent and provide the views of non-industry, non-WJI Members.

The Committee will be composed of representatives from: non-governmental organisations, academic and research institutions, and other international institutions.

The Committee shall have two co-chairs, one of which will sit on the Board with voting power.

The Committee duties include:

1. Representing the view of the broader stakeholder community
2. Undertaking effective outreach activities with civil society groups
3. Ensuring fruitful interaction with stakeholders representing various interests
4. Understanding the needs and views of the relevant interested parties
5. Where requested and applicable, providing technical input and expert feedback, knowledge, and expertise to support the achievement of the WJI 2030 objectives in the three pillars, especially those involving underprivileged/underrepresented communities
6. Encouraging and identifying effective partnerships with civil society, academia, and other organizations
7. Discussing and contributing to the development/implementation/achievement of the WJI 2030 roadmaps



## ESG COMMITTEE:

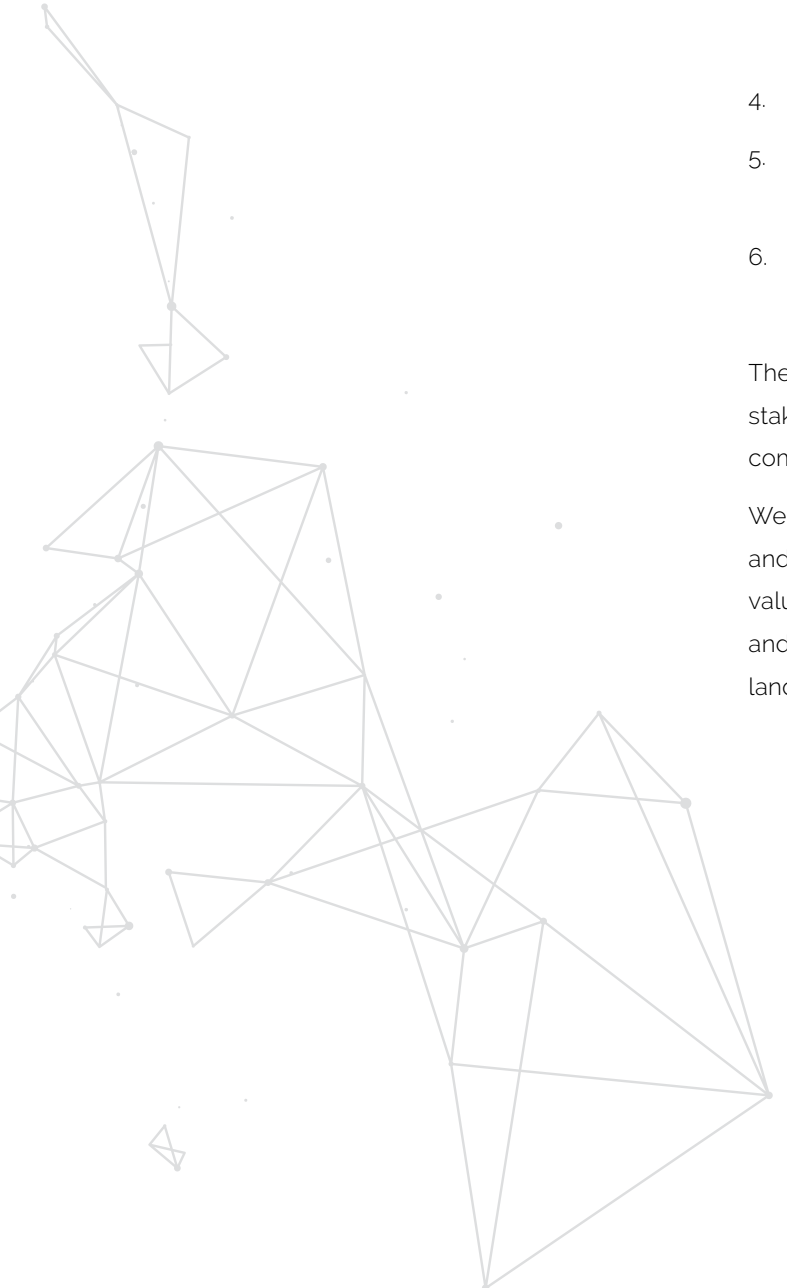

The purpose of the ESG Committee (hereafter, the “Committee”) is to set the direction of the WJI 2030 ESG reporting framework aligned with best practices and the evolving regulatory landscape and develop an assurance framework to report reliable data on progress.

The Committee will be composed of representatives from: WJI 2030 Members

- WJI 2030 Members
- ESG, Impact, Reporting and/or Assurance experts
- Auditors experienced in ESG, Impact, Reporting or Assurance areas
- Financial institutions and/or rating agencies
- Other organisations or individuals with relevant expertise

The Committee's duties include:

1. Enhancing the WJI 2030 ESG, Reporting, Impact and Assurance process
2. Defining, reviewing and overseeing the WJI 2030 assurance programme for its reporting framework
3. Overseeing WJI 2030's ESG framework, including, with the appropriate members of management, review of the criteria, indices, and metrics against relevant standards

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4. Defining, reviewing and monitoring the effectiveness of WJI 2030's reporting framework
  5. Provide technical input where requested and applicable, and provide expert feedback, share views, knowledge, and expertise
  6. Encourage and identify effective partnerships with relevant organisations

The Board will receive quarterly updates from the various committees and an annual report to take our stakeholders' interests into account in its decision-making, and to encourage transparency and open communication.

We are committed to strengthen and adjust our governance process on a continual basis by listening and responding to our stakeholders' expectations and focusing on areas where we can create most value for all our stakeholders and the industry. Where necessary, we will review our policies, procedures and internal guidelines, and adapt them to reflect industry changes, changes in the regulatory landscape, and stakeholders' expectations, and ensure continuous improvement.

### 5.3 EXPERT PERSPECTIVE



INTERVIEW WITH

**Darian Stibbe, Ph.D.**

EXECUTIVE DIRECTOR, THE  
PARTNERING INITIATIVE

## Observing the watch and jewellery industry begin a journey of transformation

**Q:** You were invited as observer at the first members workshop in Paris at the Kering office on 26 October 2022. Can you share your perspective on this?

**A:** Indeed, I was honoured to be invited as an Independent Observer to join the inaugural members meeting of the Watch and Jewellery Initiative 2030 (WJI 2030) in Paris. While I've worked with many industry sustainability initiatives, from mining to agriculture, this was the first related to luxury goods, and I was suitably impressed by the powerhouse of 'Maisons' and brands including Kering and Cartier (the founding members), Chanel, Pandora and Gucci along with many suppliers. My first observation, to no one's surprise, is that everyone was exceptionally well dressed.

The collective mission of the initiative is to create a fully sustainable watch and jewellery industry that is resilient to climate change, preserves resources and fosters inclusiveness. It is driven by a common conviction that the global Sustainable Development Goals (SDGs) and aspirations for a sustainable industry can only be achieved through collaboration – both horizontally among the Maisons and brands, and vertically across the supply chains. By bringing together a core group of progressive companies and fostering collective action, the WJI 2030 aims to support a transformation in industry practice.





**Q:** What are some of your reflections after you observed these members coming together to discuss the pathway forward?

**A:** I spent the day watching and listening to the presentations and discussions by the forty or so members present and was greatly impressed by the level of commitment and desire to change. At the end of the day, I gave a few reflections of what I had seen and how it related to best practice in multi-stakeholder collaboration. Here are some of my reflections from the day and since.

**Prepare for success** – Iris Van der Veken, WJI 2030 Executive Director, has put together a formidable secretariat team. Working closely with the founding members, with lawyers, and with governance experts they have invested considerable time, energy and thinking in establishing the core building blocks of the initiative from a clear vision to draft governance structures and everything in between.

**Engage with everyone, especially your critics** – While WJI 2030 is an industry initiative, it has already engaged extensively with NGOs and academia and plans to include civil society within its governance. This is essential, not only to ensure legitimacy but to bring in the deep knowledge from outside industry, ensure all voices – including of the most vulnerable – are heard, and guarantee a diversity of views.

**You need both ambition and pragmatism** – The meeting was visionary, creative and high energy leading to a great collective enthusiasm to drive forward an ambitious agenda. However, I was pleased to observe that alongside the ambition was a healthy dose of pragmatism. In particular, there was strong awareness of the Monday morning challenge whereby the excitement drains quickly away when sitting at your desk on the Monday after, overwhelmed by an inbox overflowing with emails and a realisation you still have to deliver the day job.



**You need your organisation fully behind you** – buy-in and championing from company leadership is essential. In the first place, initiatives such as WJI 2030 require significant resources to implement, both financially and in terms of assigning sufficient time of the staff tasked to deliver. And even more importantly, changing industry sector practice means first changing your own organisation's practice and often culture – impossible without the full buy-in of the CEO and Board.

**Invest for the long term, but build in quick wins** – An ambition for industry transformation is a long term endeavour that will take years, even decades. In order to keep up momentum and engagement, and to demonstrate progress, you need to build some quick wins into your portfolio of activities. Again, I was pleased to see this is exactly the approach being taken with one-year commitments including mapping of impacts on biodiversity and water across the use of key raw materials.

**Make sure that two plus two = five** – collaboration takes a great deal of time and effort and should only be used where it creates significant additional value. It was pleasing to observe in the discussions a real focus on this concept of added value – what members could achieve together that simply wouldn't be possible alone, whether through combining financial resources or sector influence.

**You need to be incredibly careful about anti-trust regulation** – while industry sustainability initiatives are essential to raise sector practice, several have fallen foul of – in my view, antiquated – anti-trust laws that are designed to stop competitors working together, even if that results in public good.<sup>5</sup> It was clear the WJI 2030 takes this issue incredibly seriously, with very clear boundaries and rules set, and an expert observer specifically charged to ensure conversations never veered close to those boundaries (and indeed, they never did).

5 [In Fashion Industry, a Fine Line Between Collaboration and Collusion - The New York Times \(nytimes.com\)](#)





**Q:** What do you believe will be the challenges moving forward for WJI 2030?

**A:** So, all in all, a very strong start to WJI 2030's journey. Nevertheless, the road ahead will be rocky. Collaboration isn't plain sailing and obstacles and setbacks will inevitably be encountered along the way. There will be tensions to be resolved (for example, how can you simultaneously have a 'safe space' for companies to openly discuss problems, while simultaneously wanting to invite in (sometimes critical) NGOs?); some companies will not be able to sustain their commitment and fall away, while others will join; there will be inevitable frictions caused by organisational cultural differences or through mis-aligned interests; some of the collective actions will fail to deliver. But understanding this upfront, and building a strong, trusting relationship, spirit and communication among members to be able to anticipate and deal with challenges will help to ensure the success of the initiative.

I am anticipating its progress will be a fascinating one to follow. In my role as observer, I will continue to capture my thoughts and impressions as I bear witness to a live partnership growing and developing. True to the TPI principle, learning never stops.

## 6 FORWARD LOOKING

### 6.1 OUR APPROACH

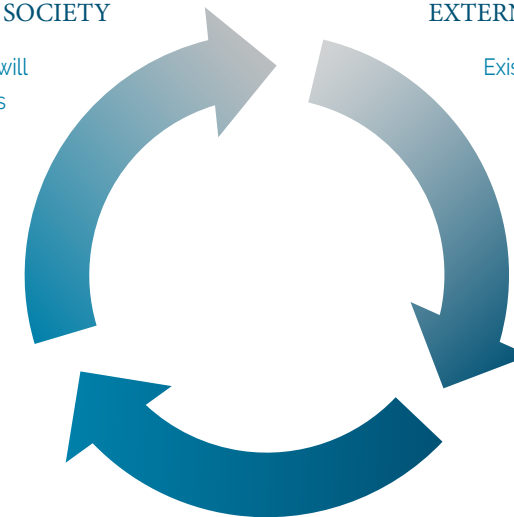
Encouraged by growing stakeholder expectations, emerging regulations on human rights due diligence, and our strong commitment and shared vision to create a fully sustainable watch and jewellery industry that is resilient to climate change, preserves resources and fosters inclusiveness, we are ready to start delivering ambitious and tangible actions on the most material issues. In the context of the WJI 2030, we believe there is an opportunity to initiate a positive dynamic along three dimensions:

#### BENEFITS TO BUSINESS & SOCIETY

Results of the collaboration that will positively impact both industry as well as the broader state of society

#### EXTERNAL CONTEXT OF CHANGE

Existing momentum across society on major topics such as climate, biodiversity, and inclusion & cultural transition that can be leveraged to accelerate action-taking on key topics



#### WJI 2030 WITHIN BROADER ECOSYSTEM

The initiative will play a role – among a vast ecosystem of multiple stakeholders (NGOs, investors, consumers, governments, standards bodies, trade associations etc.) – to trigger impactful change

The vision for WJI 2030 will follow a set of principles guiding our way forward:

- Act on what matters, addressing societal issues that require immediate action
- Serve as inspiration: for our members, for our industry, for society
- As part of a broad ecosystem, collaborate where relevant and/or needed
- Develop a solutions lab, for individual learning and for collective impact
- Be action-oriented – do not only seek for good intention, but also for actual impact
- Small actions matter – aim for quick wins as well as long-term scalable results
- Seek 'one unified voice' for the industry

To put the above in motion, the WJI 2030 team will shape its initial roadmap in a way that allows all members to participate, accelerate and contribute to creating impact, regardless of their starting point. To do so, actions will be split across the following three topics:

1

### SCALE FASTER THROUGH LEARNING AND PARTNERSHIPS

What expertise and best practices can be shared with the broader community to raise the bar and accelerate progress for all?

2


### UNLOCK IMPACT OF THE COLLECTIVE

Which pressing topics are worth prioritizing along each pillar for a collective push towards a solution?

3

### LEAD AND ACCELERATE ON TRANSPARENCY AND REPORTING

How can we encourage transparency and reporting across the value-chain? How can we strengthen consumer confidence through credible communications based on reliable data and measurable progress? How can we align as an industry on ways of working, whether in terms of methodologies or in aligning nature of targeted consumer communications?



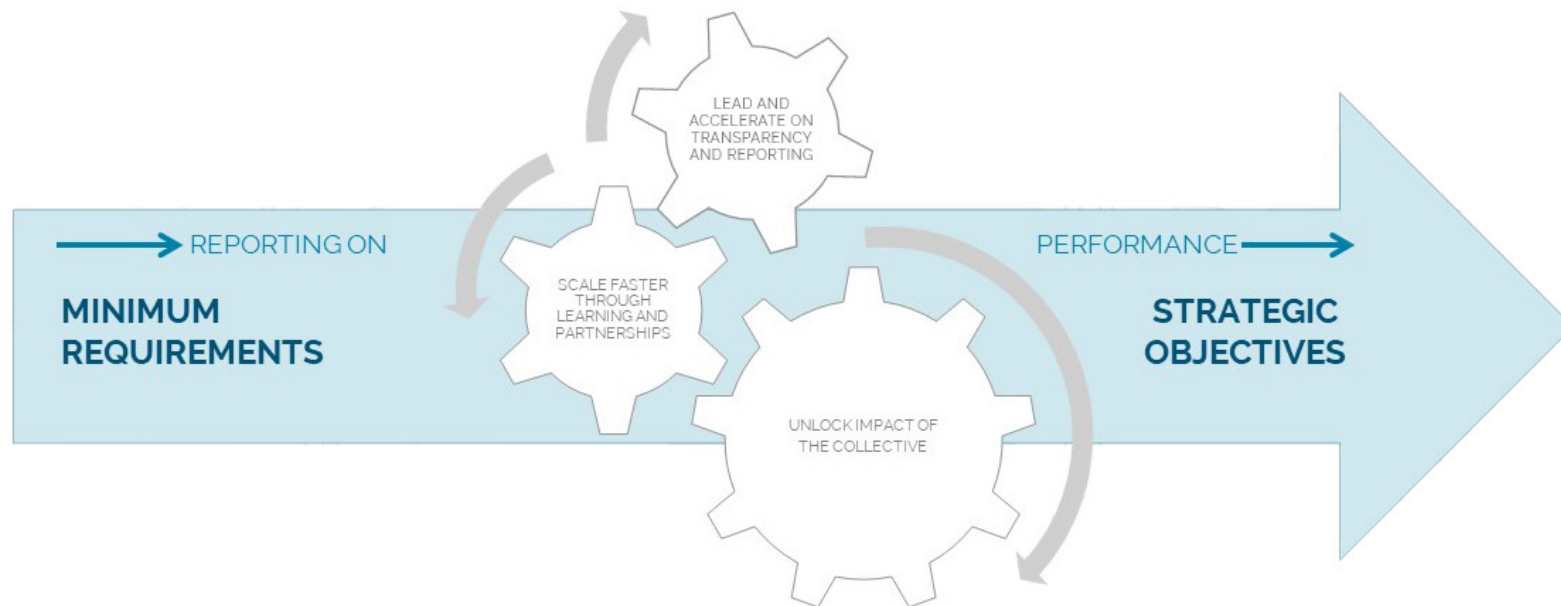
In summary, learning from the extensive discussions with our members during the second workshop in Meyrin and our insightful engagement with stakeholders over the last few months, we are confident that this approach will help us establish a common foundation of excellence throughout the industry from which we can build. Our focus in the coming months will be to refine our roadmaps for each pillar, translating our ambition into actionable goals and projects that drive continuous progress towards a sustainable industry.

## 6.2 INITIAL PROGRESS WITH MEMBERS AND ROADMAP TO ACTION ON OUR PILLARS

Since the formal launch of WJI 2030 in April 2022, we have made significant progress on identifying and ideating actions and programs to deliver impact across our three pillars. The list below outlines our progress to date:

- **October 2022:** Conducted first in-person workshop for WJI 2030 members in Paris, France, to prioritize focus areas where WJI 2030 could add value and determine ways of working as described above.
- **November 2022 – January 2023:** Developed overview of projects and actions across Pillars 1 and 3, ranging from setting a baseline and developing a leadership agenda to building capacity and investing in collective action. Engaged select WJI 2030 members to gather feedback and refine priorities ahead of the second member workshop.
- **February 2023:** Initiated partnership with The Biodiversity Consultancy. Conducted second in-person workshop for WJI 2030 members in Meyrin, Switzerland, during which members agreed to prioritize several workstreams: one devoted to supporting members to achieve minimum requirements across climate, biodiversity and social topics and others as described below.

The aforementioned second in-person workshop for WJI 2030 members represented a critical inflection point in our journey as a collaboration and allowed us to define the projects we will take forward collectively, supporting members in moving from our minimum requirements towards our strategic objectives. Acknowledging that it is critical to bridge silos and work across the three pillars on certain topics, our work will be underpinned by several transversal workstreams such as collaborating to promote traceability and supplier engagement and education. Finally, we are in the process of building an ESG framework, led by ESG Book, that can help us measure, track, and report on our individual and collective performance, ultimately ensuring that we live up to our common commitment towards impact and transparency.



Over the coming months, we will focus on launching a set of workstreams to translate our ambitious goals into action. Our workstreams are pillar-specific to advance commitments related to priority topics most material to our members and stakeholders. In addition, acknowledging that it is critical to bridge silos and work across the three pillars on certain topics, our work will be underpinned by several transversal workstreams such as collaborating to promote traceability and supplier engagement and education.

Our planned actions are summarized in the table below:

	Pillar 1 – Building Climate Resilience	Pillar 2 – Preserving Resources	Pillar 3 – Fostering Inclusiveness
	<i>Climate</i>	<i>Biodiversity</i>	<i>Human rights, gender equality, livelihoods</i>
Pillar Workstreams	<ul style="list-style-type: none"> <li>Support members in setting and implementing science-based targets (SBTs)</li> <li>As a group, we'll take immediate action to facilitate target-setting and leadership buy-in, including education</li> </ul>	<ul style="list-style-type: none"> <li>Map impacts on biodiversity and water across sourcing of key raw materials, using a credible 'science-based' framework for measuring and prioritizing our impacts</li> <li>Launch learning paths to review members priorities, current levels, and engage with members to review their priorities, current level of progress and provide capacity building through workshops</li> <li>Explore long term vision based on baseline assessment</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate member action related to implementing effective human rights due diligence (HRDD) and take action on the Women's Empowerment Principles (WEPs) in the direct operations of our members and the wider industry</li> <li>Pilot on gender-responsive procurement (GRP) with UN Women</li> <li>Explore opportunities to support ASM communities</li> <li>Launch Cultural Transformation pilot to build early momentum on DEI topics</li> </ul>
Transversal Workstreams	<b>UNGC Solutions Lab:</b> <ul style="list-style-type: none"> <li>To achieve this common baseline, we will leverage our UNGC Solutions Lab and the capacity building resources, tools, and trainings of our expert partners</li> <li>The UNGC Solutions Lab will be a key platform for developing practical content and conducting pilot studies to assess how meaningful the tools are for SMEs</li> <li>Learning Modules include: (1) Sustainability (General Introduction), (2) Gender, (3) Decent Work, (4) Climate, (5) Biodiversity (6) Human Rights (7) Artisanal Scale Mining engagement</li> </ul>		
	<b>Pilot Projects:</b> <ul style="list-style-type: none"> <li>Explore pilot projects that will be scalable in the coming quarters</li> </ul>		
	<b>ESG Book Reporting Framework:</b> <ul style="list-style-type: none"> <li>Develop an ESG framework, led by ESG Book, that can help us measure, track, and report on our individual and collective performance, ultimately ensuring that we live up to our common commitment towards impact and transparency, aligned with the evolving regulatory framework on reporting</li> </ul>		

## UNGC Solutions Lab Learning Path & SME Support

**IMPLEMENTATION PLAN:** Companies and their supply chains will follow a curated learning journey as follows:

- ① Introduction to the topics with guidance and practical tools – UNGC framework with industry specific context
- ② Complete Benchmarking Tools
- ③ Complete UN Global Compact Academy E-learning Courses
- ④ Utilize UN Global Compact Library Guidance & Resources
- ⑤ Finalizing with commitments to the UN Global Compact Movements aligned with the WJI 2030 key pillars.

Helpdesk sessions will be organized to guide SMEs on this journey.

At WJI 2030, we believe that 2023 will be a critical year for action for our initiative and the watch and jewellery industry at large. We will host a CEO Forum in Paris in June to ensure C-suite commitment to our work. Finally, we look forward to continuing to engage regularly with our members, partners, and stakeholders to make sure that we deliver against our ambitious commitments and the 2030 agenda for sustainable development.



### 6.3 EXPERT PERSPECTIVE



Professor Dorothée  
Baumann-Pauly

GENEVA CENTER FOR BUSINESS  
AND HUMAN RIGHTS & NYU  
STERN CENTER FOR BUSINESS  
AND HUMAN RIGHTS

## How does a principled commitment to multi-stakeholder collaboration translate in practice to robust governance structures?

Making a strong commitment to sustainability and human rights is easy, however, implementing these commitments in corporate practice is not. Many sustainability and human rights challenges remain difficult to manage for corporations and organizations that seek to address them.

Adequate governance structures ensure that companies and organizations have the capacity to follow-through on their sustainability and human rights commitments. Developing such adequate governance structures requires understanding stakeholder expectations and it requires translating these expectations into governance designs. Institutionalizing an ongoing engagement with relevant stakeholders ensures that companies and organizations can adapt in a flexible but principled way to emerging challenges, such as geopolitical shifts or changing societal expectations. Expanding human rights due diligence requirements in Europe also require such an integrative approach. Without the integration of relevant stakeholders, identifying and mitigating human rights risks in complex value chains will be very difficult. Companies will need the input and help from peers and stakeholders along the value chain to effectively address risks.

Such integrative governance designs are also in line with the vision of stakeholder capitalism, the concept that asks corporations to consider the impacts of their operations on all stakeholders while seeking to create value for business and society. Organizations that engage in sustainability are expected





to install governance mechanisms that reflect their principled commitment to engage with all relevant stakeholders.

Over the past decades, a large number of Multi-Stakeholder Initiatives (MSIs) emerged to address sustainability and human rights challenges. These MSIs step into governance gaps when governments are unable or unwilling to protect basic rights. MSIs create a common platform for representatives of business, civil society as well as sometimes academia or government to work on issues of common concern, issues that no individual actor could address alone.

At the Geneva Center for Business and Human Rights and the NYU Stern Center for Business and Human Rights, we consider MSIs as promising avenues for defining common industry standards which establish a level-playing field for all companies. If standards are developed jointly with all relevant stakeholders, they are broadly accepted and credible. This in turn facilitates their implementation. Through MSIs, stakeholders can also share expertise and resources to translate standards into measurable indicators and monitoring mechanisms which can oversee the compliance with the standard. Through standards, metrics and means of evaluation, MSIs can offer strong accountability mechanisms and support corporate leaders to show and tell what good sustainability and human rights performance looks like.

However, some of these initiatives that call themselves MSIs are MSIs in name only.

Their actual governance mechanism does not reflect the representation of all relevant stakeholders because, for example, civil society representatives are relegated to an advisory role without decision-making power or voting rights. I therefore emphasize the importance of developing a robust governance framework for the Watch & Jewellery Initiative 2030.



At the Geneva Center for Business and Human Rights and the NYU Stern Center for Business and Human Rights, we developed criteria for robust multi-stakeholder initiatives. These criteria are derived from actual MSIs that have a positive track record of advancing human rights and sustainability challenges in complex business environments. The first of our criteria is that MSIs are actually representative of all relevant stakeholders. This governance criteria is foundational. Getting governance structures right from the start creates the credibility and trust that are indispensable for advancing the MSI's mission. As this report is the first stakeholder exercise of the Watch & Jewellery Initiative 2030, I am looking forward to seeing continued engagement in developing standards, metrics and means of evaluation.

Arriving at adequate governance structures for an MSI requires extensive stakeholder mapping, consultation, and engagement. Getting the right people around the table and discussing and negotiating governance structures and mission may take some time. But it's worth investing this time. There are no blueprints for MSI governance other than the principled commitment to engage with all who want to contribute constructively and reach consensus on a way forward. The more robust the commitment and engagement from the start, the greater the chances of the MSI's ability to address seemingly wicked sustainability and human rights challenges.

I wish the WJI 2030 all the best and look forward to supporting the acceleration of its Human Rights agenda under the third strategic pillar.

## 7 ACKNOWLEDGEMENTS

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### Civil Society

Better Without Mercury  
Black in Jewelry Coalition  
Human Rights Watch  
Kimberley Process Civil Society Coalition  
Pact  
Social Accountability International

### Policy Makers

US State Department  
OECD  
EU Commission

### WJI 2030 Members

Bahrain Institute for Pearls and Gemstones (DANAT)  
Boucheron  
Cartier  
Chanel W&J  
Dimexon  
DoDo  
Eurodiamonds  
Gemological Institute of America (GIA)  
Gucci  
Italpreziosi  
IWC Schaffhausen  
Jaeger LeCoultre  
Julie Sandlau Vietnam  
Kering  
Mattioli  
Monica Vinader  
Montblanc  
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UFBJOP  
Wouters & Hendrix

## Academia

IMD  
NYU Stern School of Business  
Politecnico Milano

## Other key stakeholders

A Positive Impact  
ABN Amro  
Alliance for Responsible Mining  
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ANZAGems  
Aura Consortium  
Avandis Consulting  
BDL5  
Bonas Group  
Bonsucro  
Boston Consulting Group  
BSR  
BVSU (BV-Schmuck-Uhren)  
Dubai Multi Commodities Centre  
ESG Book  
Everledger  
Fédération de l'industrie horlogère Suisse (FH)  
Fondation de la Haute Horlogerie  
Franceclat  
Groupe Burdet

Hill & Co  
Impact  
Initiative for Responsible Mining Assurance (IRMA)  
International Colored Gemstone Association (ICA)  
ISEAL  
Jewelers Vigilance Committee  
Lang  
LVMH  
National Bank of Fujairah  
Nature's Geometry  
Pure Earth  
RESOLVE  
Responsible Jewellery Council (in phase two of multi-stakeholder consultation)  
Responsible Jewellery Transformative  
Rolex  
Salanitro  
SBTi  
SHIFT  
Sustainable Biomass Program  
Swiss Better Gold Association  
The Fashion Pact  
The Partnering Initiative  
The Platinum Guild International  
twentyfifty  
UN Environment Program  
UN Women  
United Nations Global Compact  
Women's Jewelry Association  
World Gold Council  
World Jewellery Confederation (CIBJO)

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