

September 7, 2023
16:30 – 18:00

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PRé Sustainability

Becoming mainstream
after three decades; what
are the consequences?

PASSION LED US HERE



LCM 2023

THE 11TH INTERNATIONAL CONFERENCE ON LIFE CYCLE MANAGEMENT
6-7-8 september, 2023, Lille, France

Today's agenda



1 The LCA community is overwhelmed by demand

2 The drivers causing this

3 What we have achieved and why this is important

4 Trend: from single products to strategic applications

5 Quantitative versus qualitative

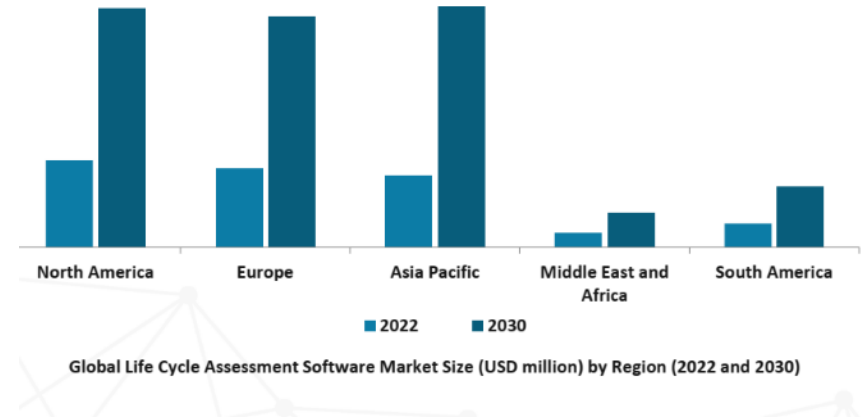
6 Beyond environmental

7 The big questions

The LCA community is overwhelmed by demand



- After trying for 30 years to become mainstream.....
- Huge consolidation wave eats up almost all independent LCA consultants. (PRé is not; we believe in cooperation in stead of consolidation)
- Very hard to find expertise



Source: Bloomberg

The drivers causing this



Guterres: We are on a Highway to Hell; general recognition we need to act (but who should act first, and how fast.....).



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EU and other legislation

- The end of fake CSR (Philip Morris has a better CSR rating than Tesla): strict requirements in the CSRD (Corporate Sustainability Reporting Directive)
- Investors need to understand what they are investing in: Taxonomy
- Due Diligence (CSDDD); companies on the EU market, can be held responsible for any Human Rights Abuse in their value chain; NGO's do not need to prove this... Companies must prove what they did
- Just transition: many sectors will need to reinvent their production processes and value chains: potentially huge impacts

What the LCA community has achieved



- In 30 years we have mapped thousands of production processes throughout scope 3
- The data are often fully transparent
- The LCA community has developed and shared dozens of life cycle impact assessment models



Can and should we connect to the major trends?



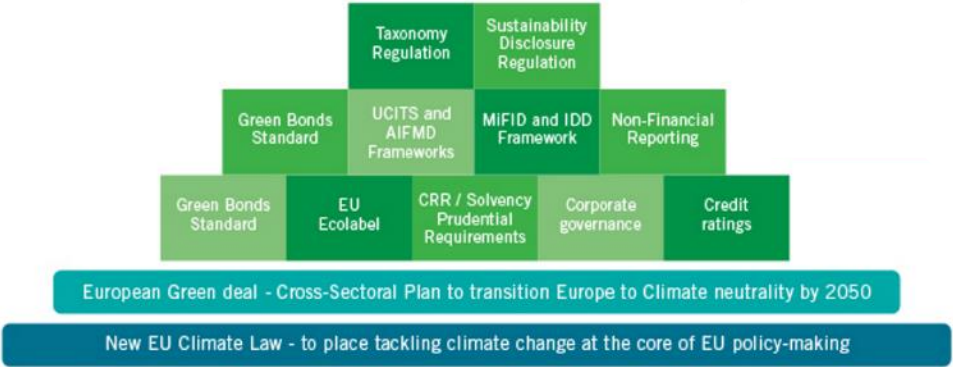
Sustainability reporting and Due Diligence are putting much emphasis on the Social Impacts (Human Rights)



Sustainability Reporting normally stops at tier 1, but the Social impacts are dominant in mining and agriculture, i.e. at the bottom of scope 3



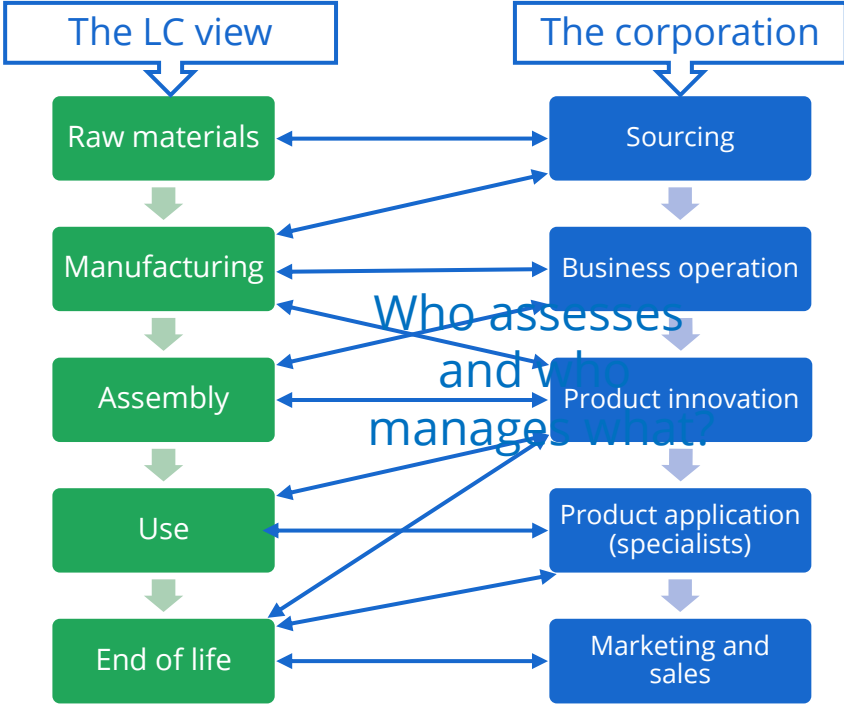
The LCA community know how to get there, but not yet how to add social metrics



Expanding the scope to strategic assessments?



- Single product assessments were the task for the LCA department
- For reporting beyond tier 1, the LCA department is part of a larger team; tis means the LC should be mapped on the multiple departments in an organisation
- LCA perspective is essential in portfolio assessment



Combining Quantitative and Qualitative?



- Alle legislation put much emphasis on qualitative assessment, especially for social impacts
- Due diligence does not require to measure impact, but rather take action and eliminate these impacts (move from minus 2 to minus 1 to compliance)
- Qualitative assessment provides actionable results.

+2 best in class, continuous improvement

+1 beyond generally acceptable situation, continuous improvement

0 generally acceptable situation

-1 unacceptable situation but improving

-2 unacceptable situation, no improvement

The big question; how to understand impact & mitigation



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The LCA community has mostly been a group of open and friendly, perhaps slightly naive, people with a focus on collaboration and mutual learning.



Now the big money is pouring in, and profit making will be a much bigger driver



Mitigation: stay loyal to the cause: inform industries and governments where the hotspots are, what to do about it and go for the best alternative; Focus on REAL impact

Thank you



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Also visit our website specifically for biodiversity impact assessment:
<https://www.biodiversity-metrics.org/>



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