

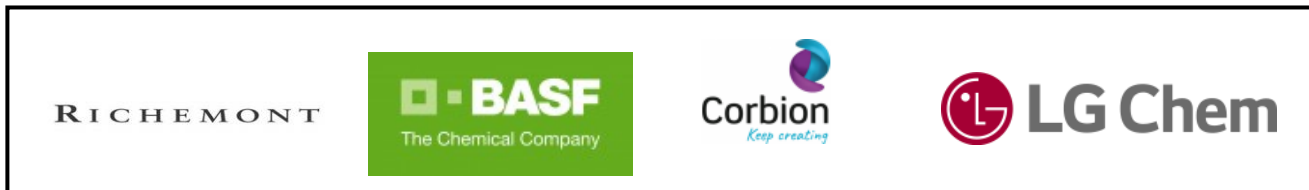
# Social LCA as a preparation step towards future requirements

# 10 years of the Social Value Initiative



## Mission:

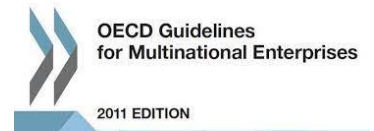
To be the **leading, cross-sector** initiative to give guidance on how to measure the social impacts of products and services, in a way that is recognised for its **high quality, credibility and business viability**.



# Overview of relevant frameworks and standards



## Standard setting



Towards what goal/benchmark should we aim?

## Reporting guidelines

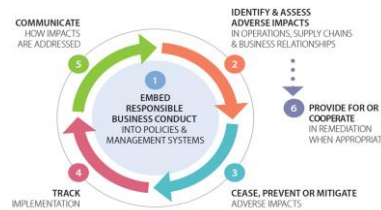


What topics should be reported? On what level?

## Corporate management

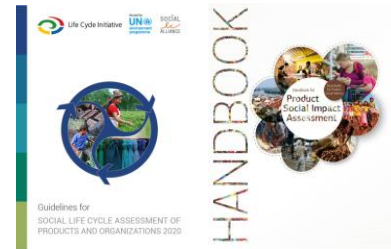


### Corporate Sustainability Due Diligence Directive



What company governance procedure should be followed?

## Assessment methods

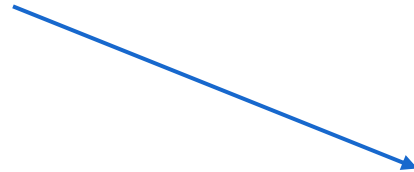
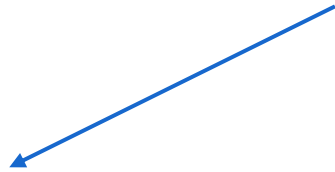


How should I assess this?

# Is the LCA community ready to address this?



What capabilities should companies develop?










Reporting

Scaling up







Aligning

## How is it implemented?

- 

 • Using integrated reporting guidelines
- 
 • Commodity Progress Reports and sector association alignment (e.g. palm, cocoa, coffee)
- 
 • Identifying themes
- 
 • Input to stakeholder dialogue and engagement
- 
 • Input to the approach for governance, company policy, codes and audits
- 
 • Steering product lines

## Why is reporting required?

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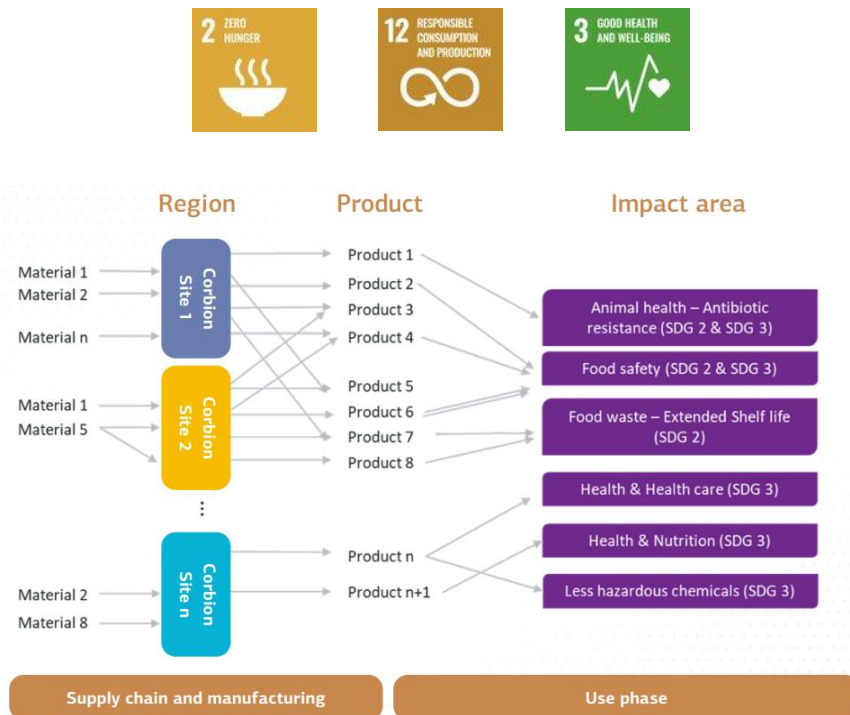
 • A mandatory requirement
- 

 • A core value of the company
- 

 • To set internal goals & targets, monitor and finding improvement opportunities
- 

 • Get funding (EU Taxonomy compliance)
- 

 • To benchmark against global goals like the SDGs



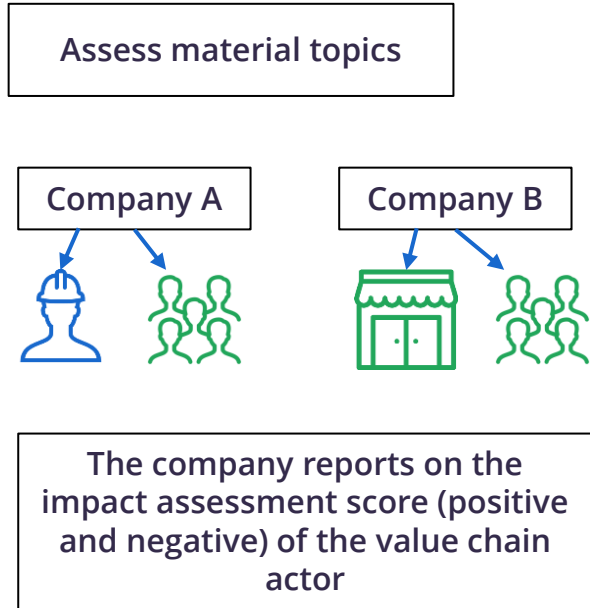
## What are the benefits?

- Hotspot identification phase to ensure that the material social issues are identified and covered in the assessment (double materiality applied)
- Focuses on the entire value chain and not just Tier 1 as most other

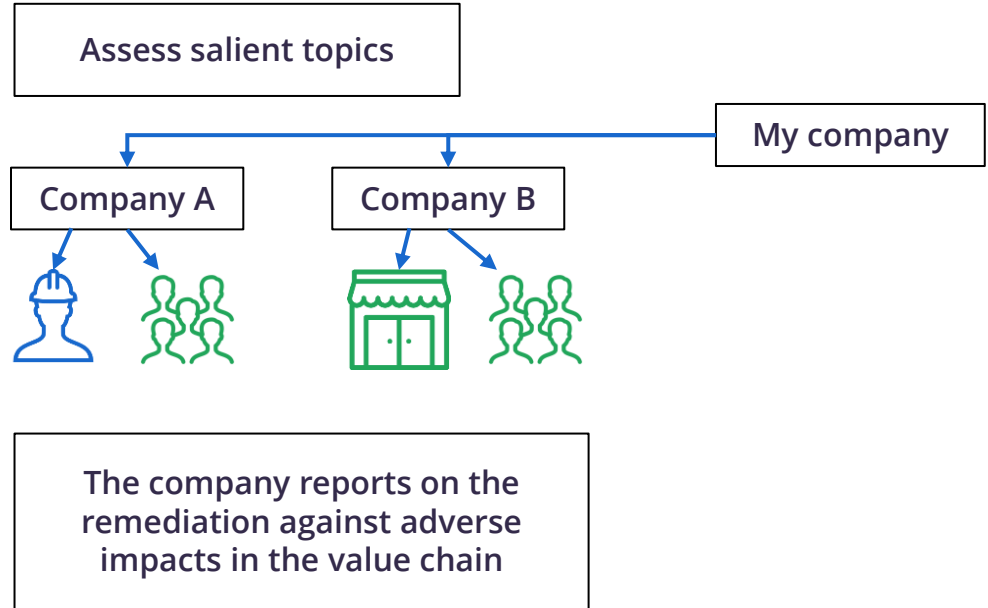
Objective: for proactive companies seeking to benchmark their products towards internationally agreed upon global goals – not only a single product but product groups and the company



### PSIA method



### Due Diligence Directive



## PSIA method

- +2 Best in class, continuous Improvement
- +1 Beyond Generally Acceptable Situation, continuous improvement
- 0 Generally acceptable situation
- 1 Incident has occurred, company takes action
- 2 Incident has occurred, Company has not taken action

remediate

## Due Diligence Directive

- 0 No adverse impacts on human rights AND integration of Due Diligence into policies and management
- 1a Adverse impacts are **directly linked** to the enterprise operations, products or services by a business relationship and remediation action is taken
- 1b Adverse impacts are **contributed to** by the enterprise and remediation action is taken
- 1c Adverse impacts are **caused** by the enterprise and remediation action is taken
- 2a Adverse impacts are **directly linked** by the enterprise and no measures are taken (policies and management) to **prevent, cease, minimise** the adverse impacts
- 2b Adverse impacts are **contributed to by** the enterprise and no measures are taken (policies and management) to **prevent, cease, minimise** the adverse impacts
- 2c Adverse impacts are **caused** by the enterprise and no measures are taken (policies and management) to **prevent, cease, minimise** the adverse impacts



# How can companies be better prepared?



1

Define the why, how and what

2

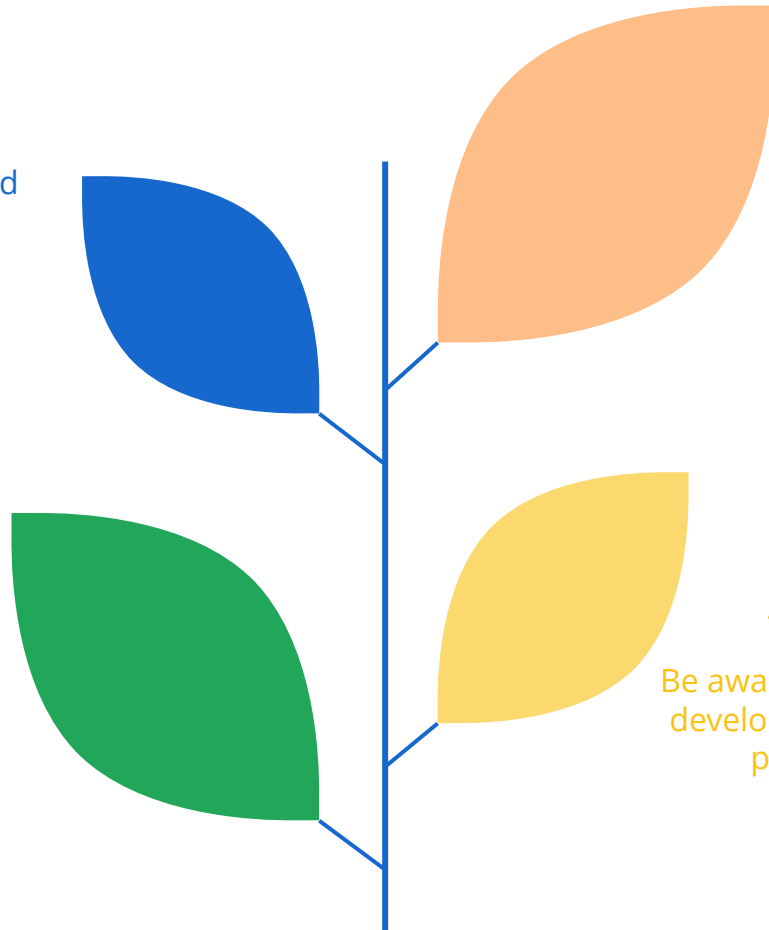
Enhance the capabilities to report, scale up and align social impact assessments

3

Start small as a learning opportunity – with one product line, one life cycle step, one stakeholder

4

Be aware of latest developments in policy



# Thank you for listening, do you have any questions?



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