

# Human and Social Sustainability – New trends and legislative climate

Kate Field, Global Head Human and Social Sustainability



# Human & Social Sustainability

- 6 sub-topics, although they interlink
- 3 areas – workplace, supply chain and society
- It's all about people
- For an organization, it comes back to culture





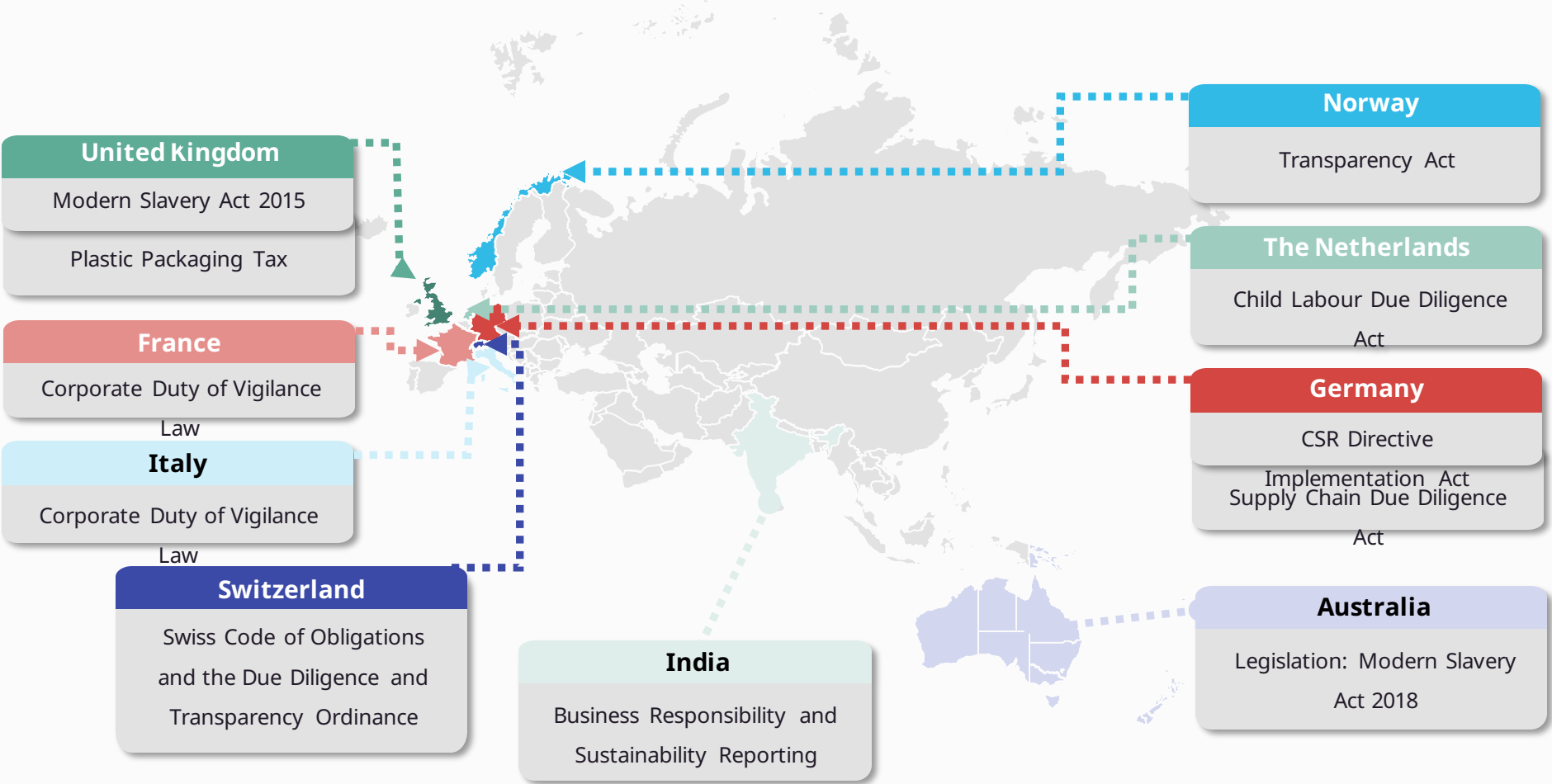


# Mega Trends

- Move from E to S and G (...and to Purpose)
- Significant regulatory changes
- Investor focus
- Customer / consumer focus (brand / social media)
- Employee focus (EVP)
- The Amazon effect – Increasing Trade Union activity in USA, UK and Europe continues to drive a focus human sustainability
- ILO – added OHS as Fundamental Right in 2022

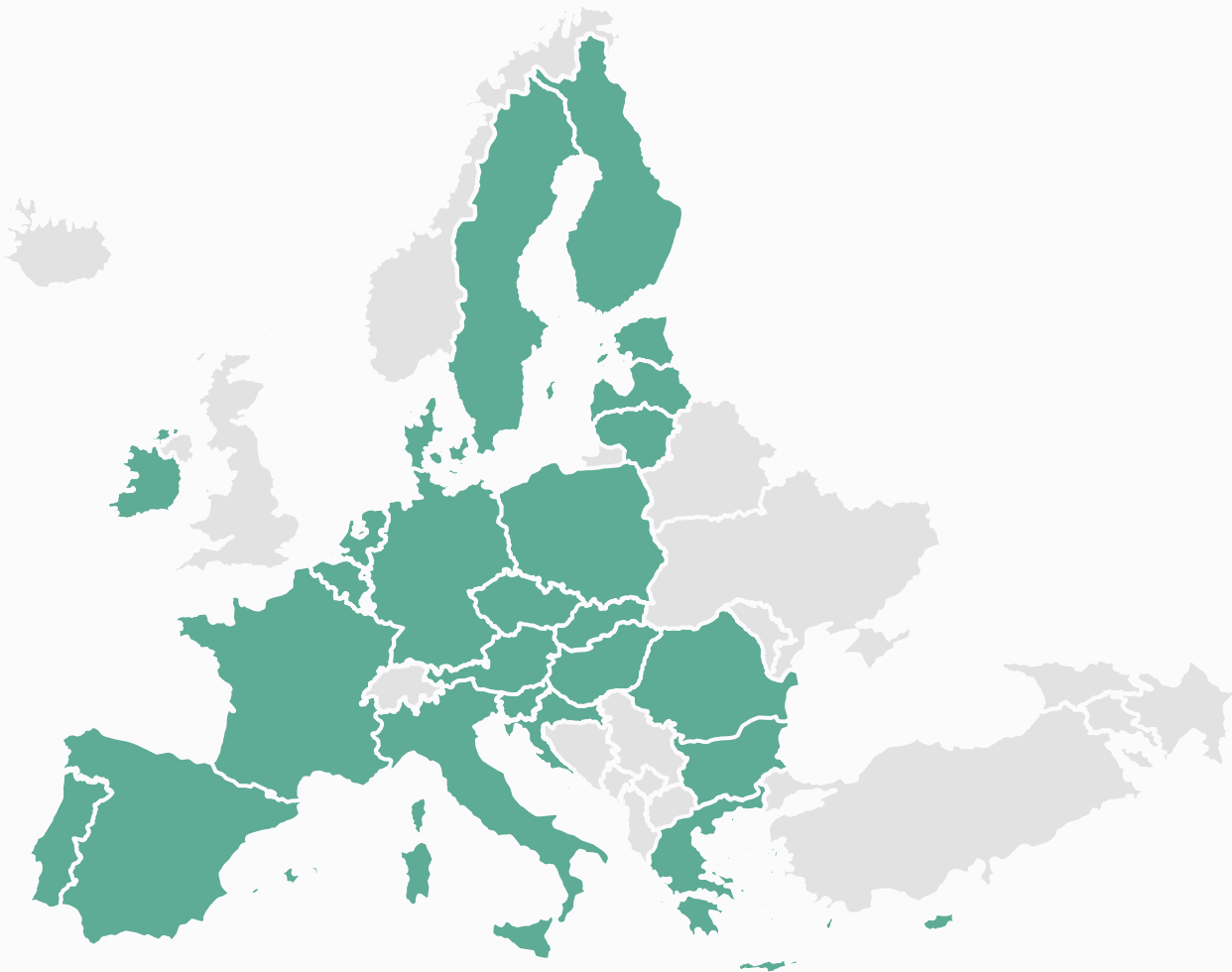


# Overview of supply chain global Legislation

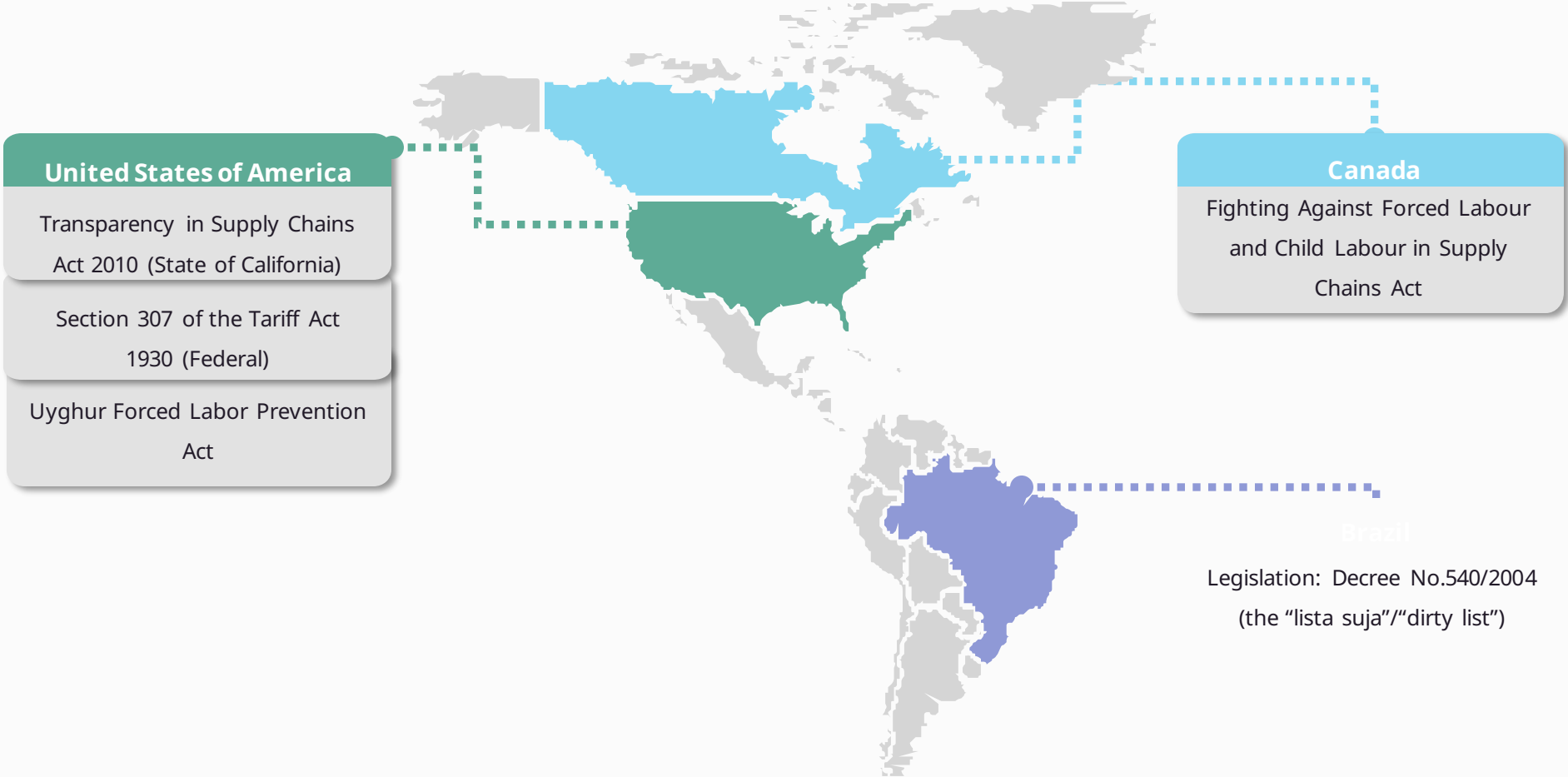


# Overview of European Supply Chain Legislation

	CSDDD	CSRD	EU Taxonomy	SFDR	EUDR	EU Batteries Regulation	EU Conflict Minerals Regulations	EU Forced Labour <sup>3</sup>	EU PPWR
Based on UNGPs / OECD MNE	✓	✓	✓		✓	✓	✓	✓	
Due diligence requirements	✓		✓		✓	✓	✓	✓ <sup>4</sup>	
Disclosure requirements	✓	✓	✓	✓			✓		
Import / trade requirements					✓			✓	✓
Own operations requirements	✓	✓	✓						✓
Upstream value chain requirements	✓	✓	✓ <sup>2</sup>		✓	✓	✓	✓	✓
Downstream value chain requirements	✓	✓	✓ <sup>2</sup>	✓					✓
Human rights topics in scope	✓	✓	✓	✓	✓	✓	✓	✓	
Paris-aligned disclosures or commitments	✓	✓	✓	✓		✓			
Other environmental topics in scope	✓	✓	✓	✓	✓	✓	✓	✓	✓
In effect	✓ <sup>1</sup>	✓	✓	✓	✓	✓	✓	✓ <sup>1</sup>	✓ <sup>1</sup>



# Overview of Americas Supply Chain Legislation



# Supply chain...what are these numbers?

**45.8  
million**

**3,469**

**160  
million**

**77%**

# Supply Chain - the human cost

There are **45.8 million modern slaves** in operation today including 60% in supply chains



US customs and border protection stopped 3,469 shipments in 2023 (as of July 2023) as they were carrying goods processed by forced labour.



Child labour has risen to **160 million children** worldwide

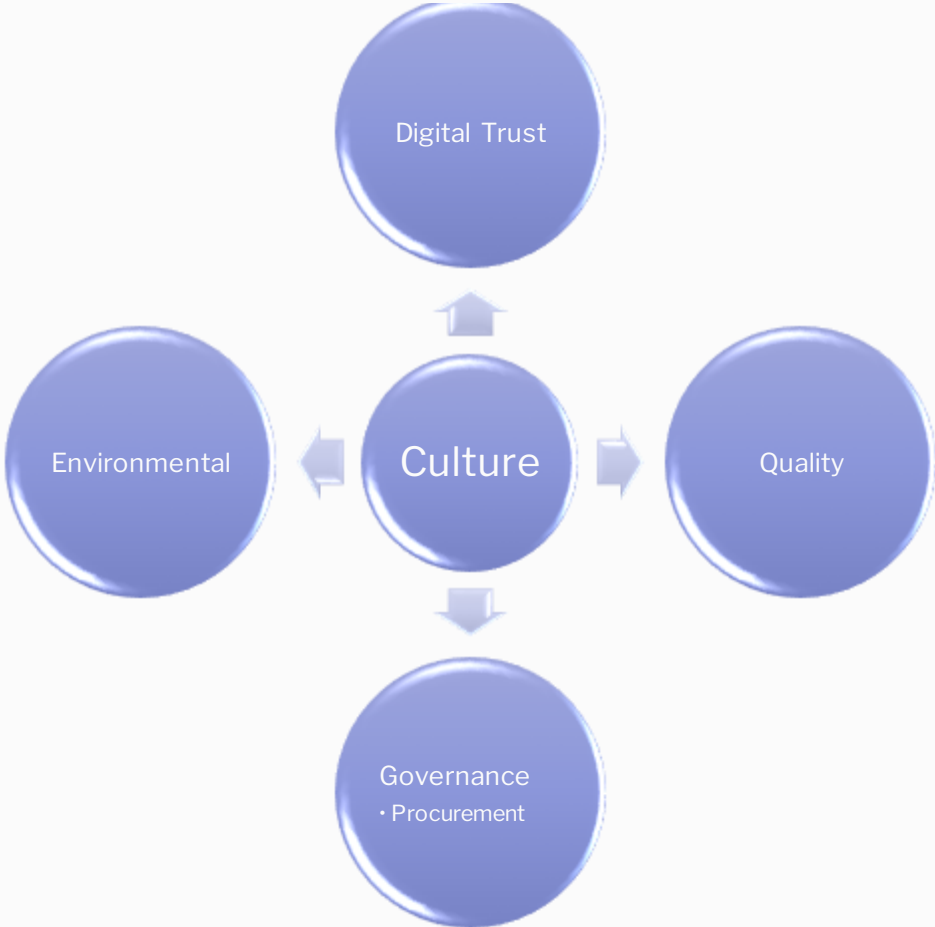
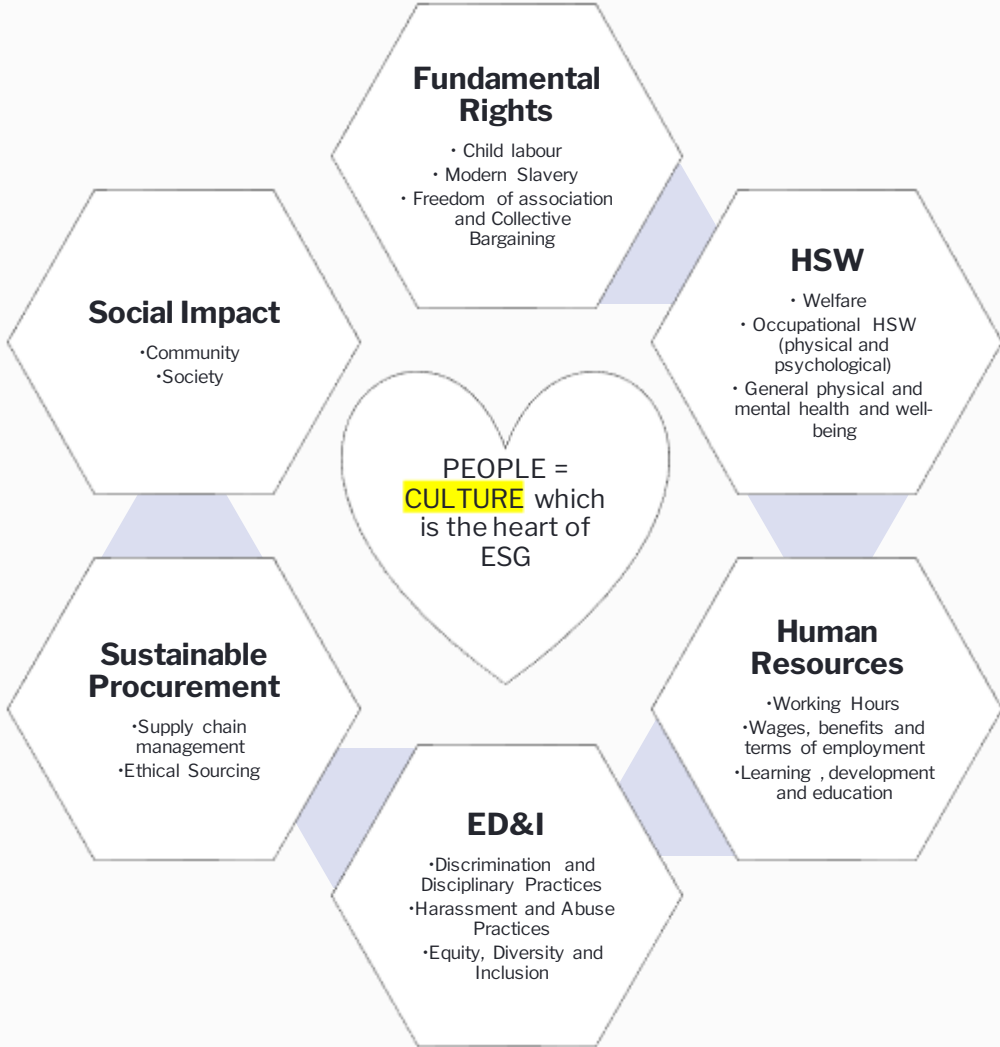


**77% of nations** excluded workers from establishing or joining trade unions in 2023

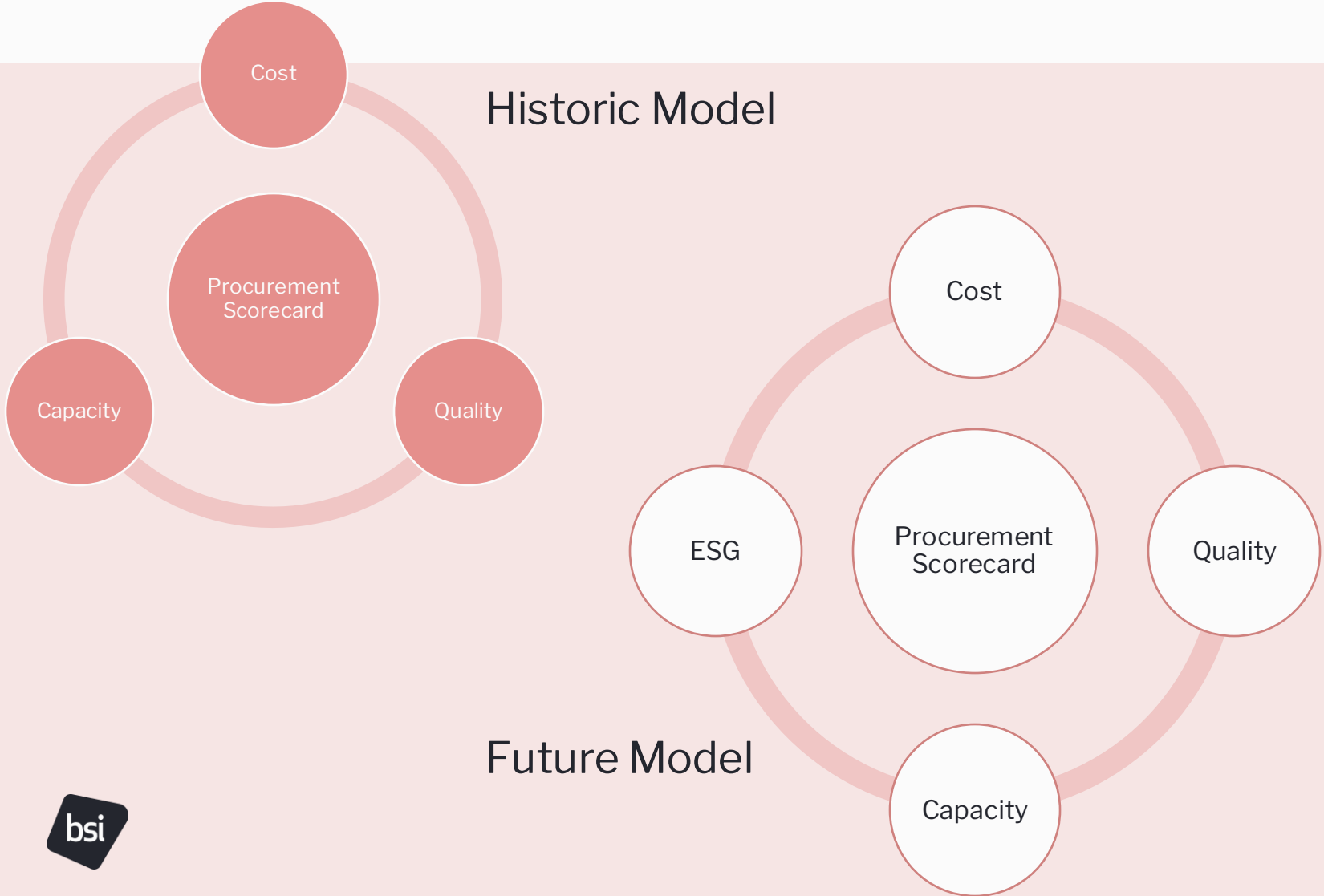




# Culture drives performance in all risk spheres



# Procurement is changing

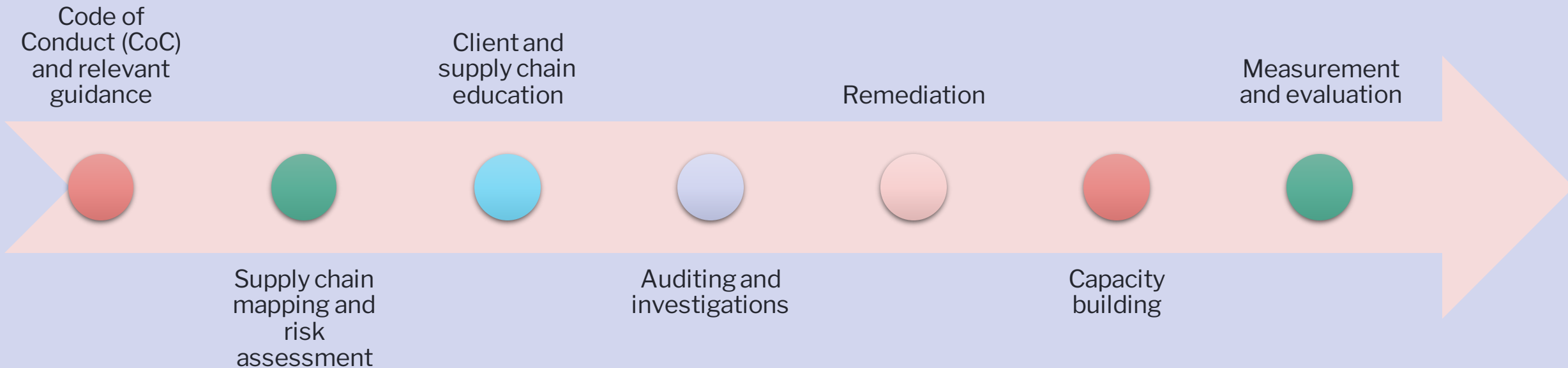


On average, large companies contract with **5,000** suppliers

Fewer than **20%** of supply chain managers said they had **visibility of supply chain sustainability practices**

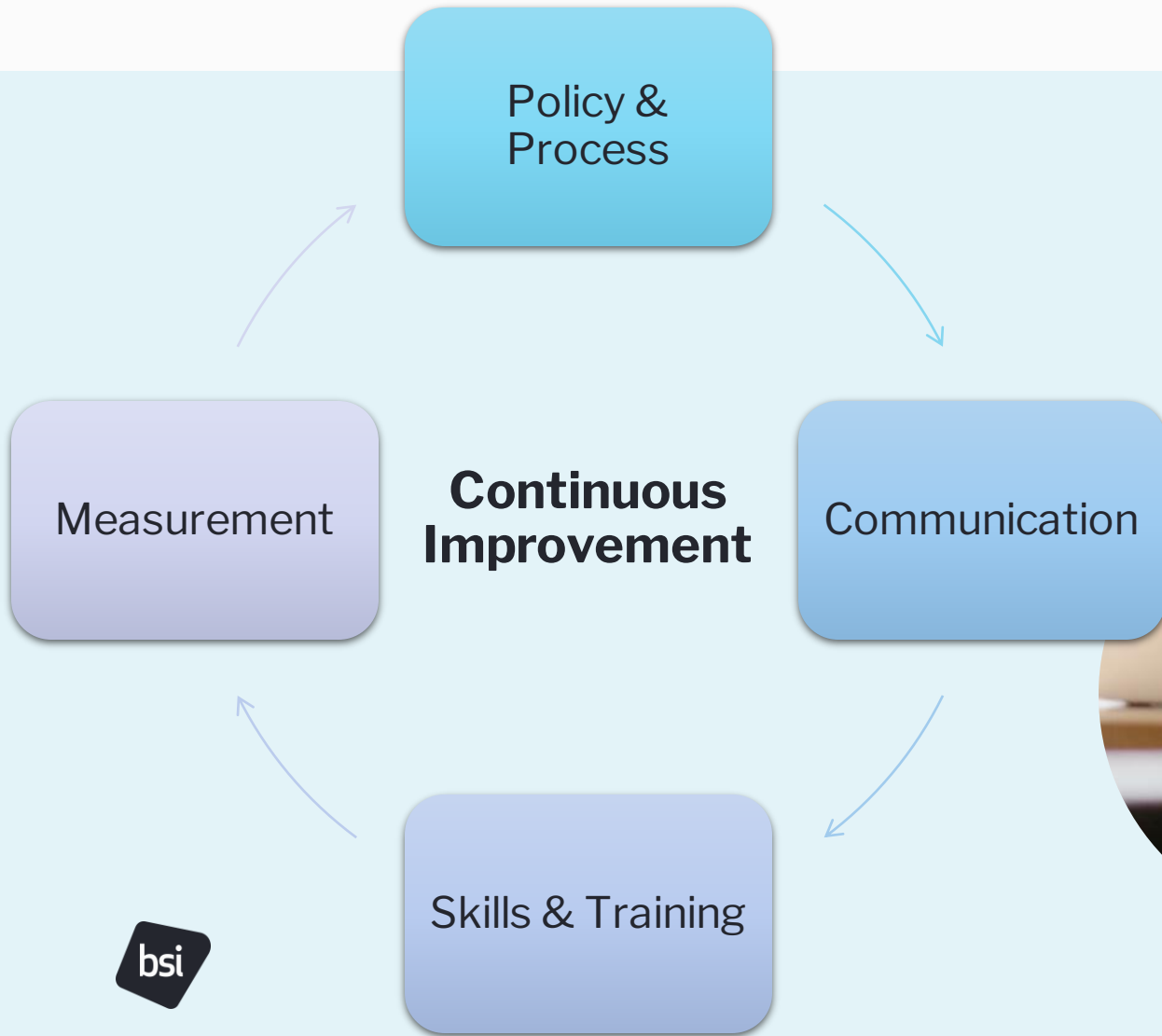


# Essentials for a 'best in class' procurement programme

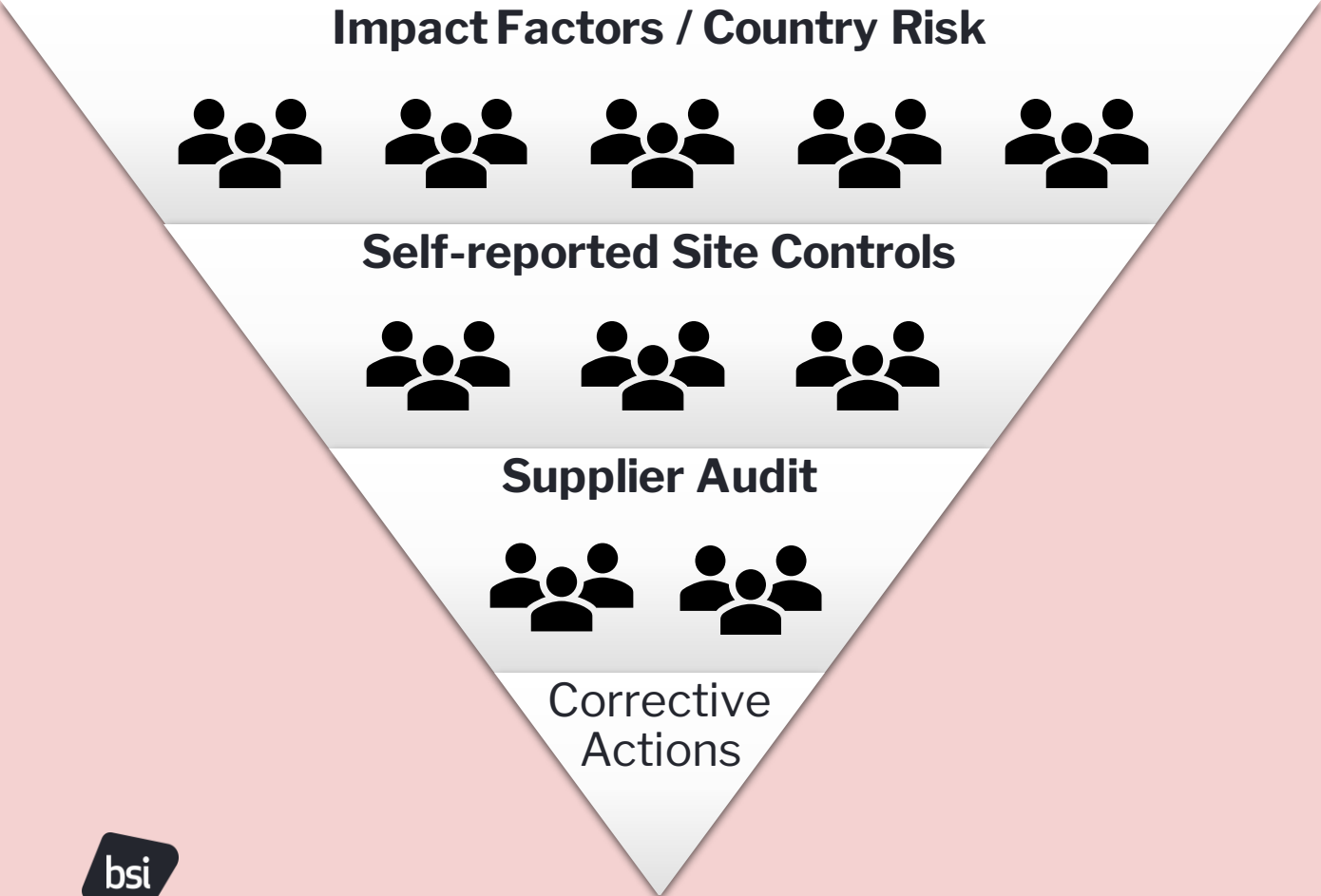


# Management Systems Approach

## End-to-end governance of supply chains



# Risk-based decision making for supplier monitoring





# Supplier factors and impact to business

**Factors** (supplier-specific and impact to business), **beyond supplier category, that might affect a sustainability supply chain risk.**

**Length of relationship**

**Complexity of manufacturing**


**Commercial relevance**

**Country risk**




# Potential list for defining areas of focus

## Environmental




- Sustainability Basics
- Client Audit Etiquette and Preparations
- Track utilities and energy use
- Energy Management
- Greenhouse Gas Accounting and Reporting
- Carbon Reduction Forecast and Management Planning
- How to Conduct a Life Cycle Assessment (LCA)
- Waste Stream as a raw material – Reuse assessments

## Social




- Excessive Working Hours
- Wages and Benefits
- Ethical Recruitment of Foreign Migrant Worker
- Non-Discrimination
- Freedom of Association
- Antibribery/corruption
- Data Privacy/Security
- Conflicts of Interest
- Gender equality and inclusion

## Environment, Health & Safety



- Occupational Health
- Workplace Safety
- Job Hazard Analysis
- Incident Investigation
- Process Safety Assessment
- Fire Safety and Emergency Response
- Industrial Hygiene
- Environmental Management
- Air Emissions
- Storm and Wastewater
- Wastewater Management-Anti-Microbial Resistance
- Hazardous Material Management
- Chemical Labelling and Inventory
- Hazard Communication
- Waste Disposal and Oversight

## Governance



- Business continuity
- Legal and Customer Requirements
- Training and Competency
- Communication Practices
- Governance Programs

# BSI Services

BSI Connect Screen – supply chain risk platform

Bespoke supplier audits

Industry Association Audits

SA 8000 Certification

ISO 45001 Training and Certification

ISO 45003 Training and Certification



## World Mental Health Month

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**Sedex** Affiliate Audit Company

Responsible Business Alliance  
Vendor Member

**SOCIAL & LABOR CONVERGENCE**

**RJ** RESPONSIBLE JEWELLERY COUNCIL

ESEP  
Ethical Supplier Engagement Program

**RSCI** Responsible Supply Chain Initiative

**WRAP**  
WORLDWIDE RESPONSIBLE ACCREDITED PRODUCTION

Pharmaceutical Supply Chain Initiative



Thank you  
Question?

