



HUMAN: Implementation of the CSDD

a.s.r., Utrecht

10-10-2023



Vereniging van Beleggers
voor Duurzame Ontwikkeling

Hosted by

a.s.r.
de nederlandse
verzekering
maatschappij
voor alle
verzekeringen

Setting the scene

- Angélique Laskewitz (director VBDO)
- Jos Gijbers (Senior portfolio manager a.s.r asset management)



Program

- **15:10 – 15:30** | The revised OECD Guidelines for Multinational Enterprise and their implications for the CSDDD – Katharine Booth, Researcher and Policy Advisor, OECD Watch
- **Breakout sessions;**
 - ✓ **CNV Internationaal (VC4)**: CSDDD and stakeholder engagement – the role of trade unions in the due diligence process
 - ✓ **ABN AMRO (VC3)**: CSDDD - perspective from the financial sector
 - ✓ **EY (plenary room)**: The current status of due diligence in EU regulation
- **16:25 – 16:50** | Human rights due diligence: a case study of the cane sugar supply chain - Kaya Thiele, Sustainability Specialist – Human Rights, Corbion
- **16:50 – 17:00** | **Closure**
- **17:00** | **Drinks**

The revised OECD Guidelines and their implications for the EU CSDDD

VBDO HUMAN 2023, 10 October 2023
Katharine Booth



About OECD Watch

Global network of civil society organisations with more than 130 members in over 50 countries

Official representative of civil society at the OECD Investment Committee

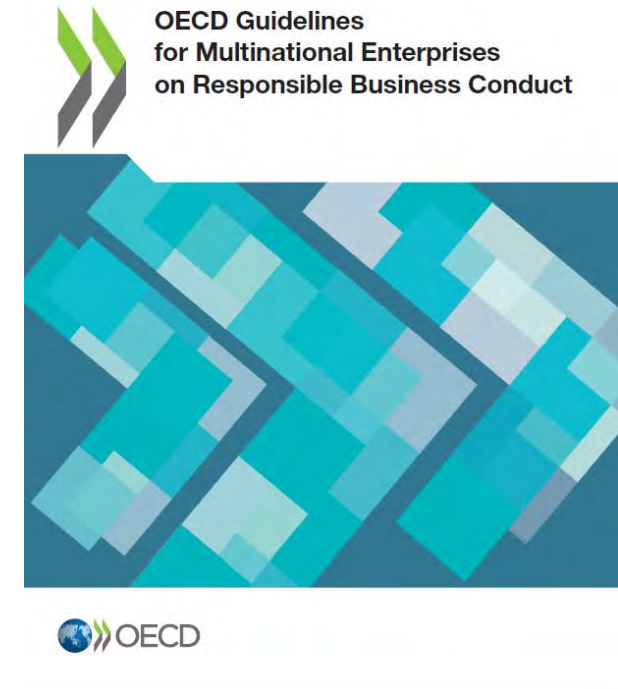
Pushed for strong standards in the updated Guidelines; now advocating for their implementation

What are the OECD Guidelines for Multinational Enterprises on RBC?

**Recommendations from OECD governments to
multinational enterprises on responsible business
conduct**

Timeline

- 1976 Adopted by the OECD
- 2000 Revised to include a grievance mechanism (NCPs)
- 2011 Revised to align with the UNGPs
- June 2023 Revision strengthened standards and expectations in the Guidelines



Revised OECD Guidelines

OECD Watch's role

- | | |
|-----------|--|
| 2019 | Members committed to encouraging the OECD to update the Guidelines |
| 2019-2020 | Consultations with over 250 global CSO representatives to identify the most outdated/inadequate sections |
| 2020 | Advocacy to OECD WPRBC and OECD governments |
| 2021 | OECD 'stocktaking exercise' to examine key strengths/weaknesses
OECD 1st public consultation |

Revised OECD Guidelines

OECD Watch's role

- | | |
|-----------|---|
| 2022 | OECD stocktaking report identified key areas of concern
OECD governments agreed to a 'targeted update' of the Guidelines "to advance their implementation, promotion and to keep them fit for purpose" |
| 2022-2023 | Consultations between stakeholders and OECD
Input on multiple draft texts |
| 2023 | OECD 2nd public consultation
8 June: New text adopted |

Revised OECD Guidelines

Key points

1. Authoritative with international backing

- Adopted by consensus by 38 OECD governments
- Agreed to by a total of 51 governments (38 OECD + 13 OECD adhering governments)

2. Strong RBC standards

- The majority of updates strengthen RBC standards
- On some topics the new text advances normative standards

3. Policy coherence

- OECD states agree on the importance of “coherence, alignment, and harmonisation” of domestic RBC policies and the Guidelines

OECD Guidelines

Unique features

- Broad geographic scope
 - International
 - Extraterritorial
- Broad issues and company coverage
 - Issues
 - Business sectors
 - Recognition of value chain responsibility
- Grievance mechanism (NCPs)
 - For resolving disputes regarding corporate misconduct
- Hybrid instrument
 - Legally binding on OECD states
 - Voluntary for multinational enterprises

Revised OECD Guidelines

Key updates



**OECD GUIDELINES
UPDATE**

Due diligence

Due diligence

- Revised Guidelines **align with existing OECD DD guidance**
- Conduct all 6 steps of DD
- Meaningful stakeholder engagement: **two-way, good faith, responsive to stakeholders' views, timely, accessible, appropriate, safe, and adapted to remove potential barriers** to engaging with vulnerable/marginalised stakeholders
- **Build leverage** over business relations
- **Relationship to harm is not static** (shift from DL to contributing)

Due diligence

- Business relationships covered by DD extend beyond contractual, “first tier”, or immediate relationships, and that enterprises can contribute to adverse impacts caused by individual consumers who are natural persons (**upstream and downstream DD**)
- **Participation in MSIs** does not change the fact that **enterprises remain individually responsible** for ensuring their DD is carried out effectively.
- Importance of **responsible disengagement**

OECD GUIDELINES **UPDATE**



Climate change & environment

Climate change

- **'Climate change'** = leading environmental impact
- References to **Paris Agreement** and the important role enterprises play in contributing to net-zero GHG emissions
- **GHG emissions are consistent with international goals**
- **Implement transition plans and mitigation targets**, including absolute GHG reduction targets
- **Prioritise eliminating/reducing GHG emissions over offsetting**

Other environmental impacts

- DD on their potential impacts on a **non-exhaustive list of environmental concerns** including:
 - **Biodiversity loss**
 - **Degradation of land, marine, and freshwater ecosystems**
 - **Deforestation**
 - **Pollution**



20  **OECD Watch**
YEARS

OECD GUIDELINES **UPDATE**

Just transition

Just transition

- Expectation to **conduct DD** both (1) in their **transition away from environmentally harmful practices** as well as (2) **towards greener industries or practices**, such as the use of renewable energy.
- Provide **training for up- and re-skilling of workers** in anticipation of future changes in operations and employer needs (including just energy transition and digital transition).



20 OECD Watch YEARS

OECD GUIDELINES UPDATE

© CARL DE SOUZA / AFP

Human rights defenders

Human rights defenders

- **Refrain from and take steps to prevent reprisals** against people expressing concern **over (1) the enterprise's or (2) its business relations' activities.**
- **Promote a safe space** for defenders - in which people feel safe to raise concerns
- Where relevant, **contribute to the remediation of adverse impacts of reprisals** when they occur.

OECD GUIDELINES UPDATE

atch



Workers' rights

Respect the rights of ALL workers (not just employees' rights)

OECD GUIDELINES UPDATE

atch

20 OECD Watch
YEARS

Technology

Conduct DD over impacts linked to science, tech. digitalisation, and innovation

**Can the revised OECD Guidelines inform the
text of the EU CSDDD?**

Yes!

Why?

- 1. Authoritative with international backing**
- 2. Strong RBC standards**
- 3. Importance of policy coherence**
 - 51 OECD states agree on the importance of “coherence, alignment, and harmonisation” of domestic RBC policies and the Guidelines
 - EU policymakers, businesses, and civil society are urging the EU to adopt a directive reflecting existing international norms (OECD Guidelines and UNGPs)

JUNE 2023



atch

ACHIEVING ALIGNMENT:

**Syncing EU due diligence
legislation with the updated
OECD Guidelines**

TABLE 1: ALIGNMENT OF EU INSTITUTIONS' PROPOSALS ON CSDDD WITH UPDATED OECD GUIDELINES

ELEMENT		UPDATED OECD GUIDELINES	EU COMMISSION	EU COUNCIL	EU PARLIAMENT
PERSONAL SCOPE	Covers companies of all sizes	✓	✗	✗	~
	Covers companies of all forms	✓	~	~	~
	Covers all sectors	✓	~	✗	~
MATERIAL SCOPE	Covers all human rights	✓	~	✗	~
	Covers broad selection of environmental impacts	✓	✗	~	✓
CLIMATE	Covers climate change as an environmental impact	✓	✗	✗	✓
	Requires development of climate plan covering scope 1, 2, and 3	✓	~	~	✓
VALUE CHAIN	Covers all business relationships	✓	✗	~	✓
	Covers full upstream & downstream value chain	✓	✓	✗	~

DUTY	Requires initial broad scoping to identify risks & impacts	✓	✗	~	✓
	Requires in-depth assessment of prioritised risks & impacts	✓	✓	✓	✓
	Prioritisation based on severity; no "prioritisation haven"	✓	✗	~	~
	Response based on relationship to & severity of impact; no closed list of measures	✓	✗	~	✓
	Views MSIs/schemes as piece, not proxy, for due diligence	✓	~	~	✓
	No over-relying on audits	✓	~	~	✗
	Seeks meaningful stakeholder engagement throughout DD	✓	✗	✗	✓
	Considers a broad range of stakeholder	✓	✗	✓	✓
	Disengagement can be appropriate but must be responsible	✓	~	✗	~
	Requires remediation of harm	✓	~	~	✓

oecdwatch.org



Break out sessions (15:30 -16:25)

Room VC4: CSDDD and stakeholder engagement: the role of trade unions in the due diligence process – Margot Offerijns, CNV Internationaal & Manon Wolfkamp, Initiatief Duurzaam en Verantwoord Ondernemen

Room VC3: CSDDD: Perspective from the financial sector - Nelleke Hoffs, ABN AMRO

Plenary room: The legal status of the CSDDD - Colette Grosscurt & Bas Sprenger de Rover, EY

ABN AMRO – Nelleke Hoffs

CSDDD: perspective from a bank

HUMAN 2023

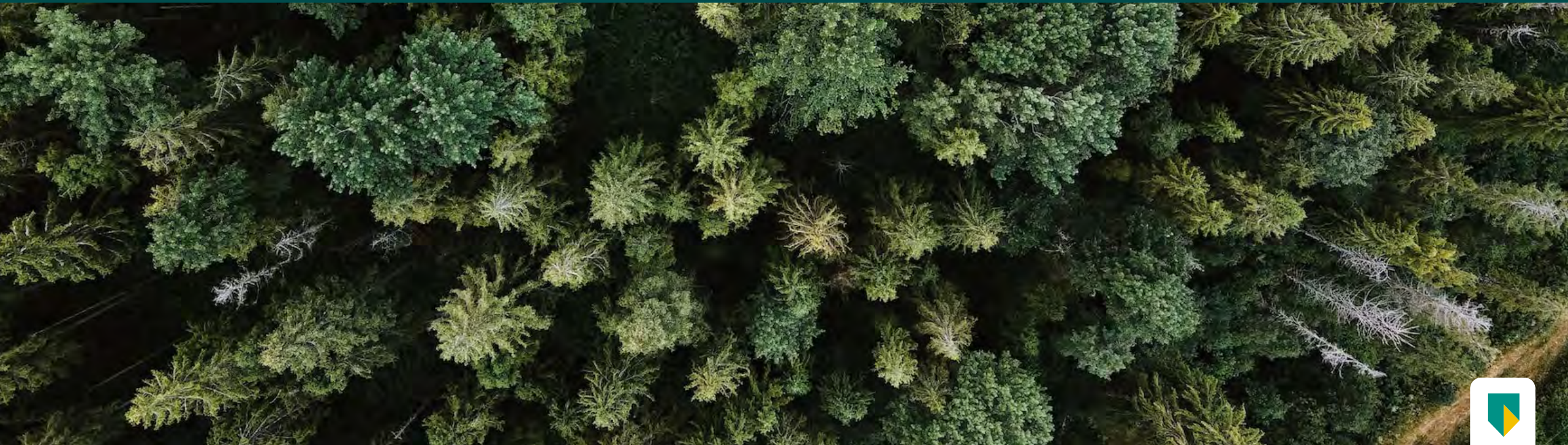


OVERVIEW BREAKOUT SESSION

- 1 Where are we now?
- 2 Scenario 1: banks not directly in scope
- 3 Scenario 2: banks directly in scope
- 4 Challenges: internal & external
- 5 Human right due diligence in practice: Xinjiang



Where are we now?



Our current primary focus

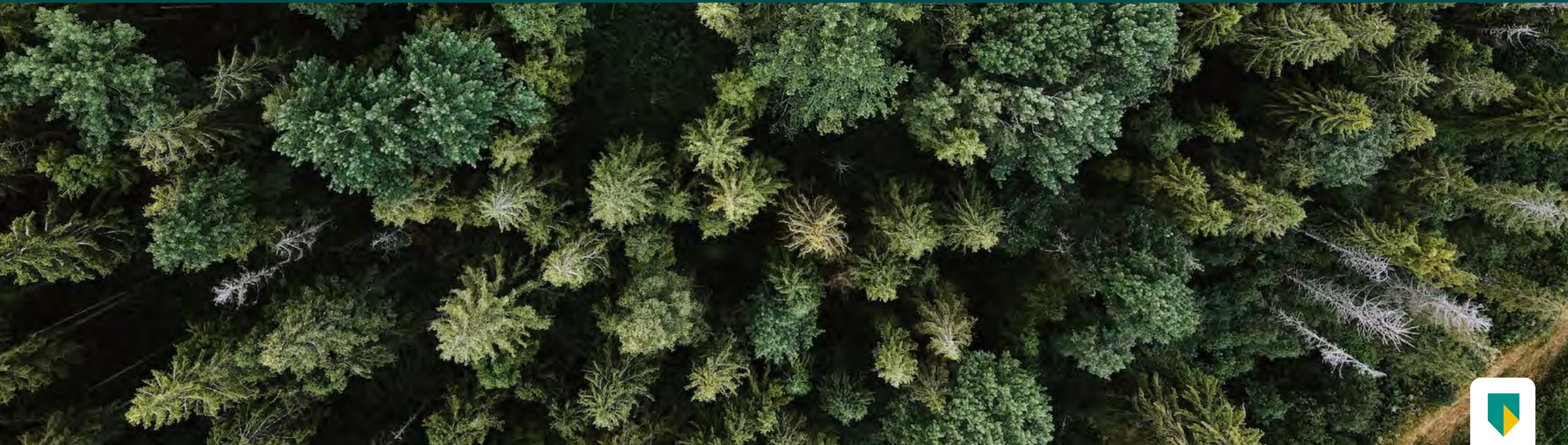
- Active lobbying/messaging to include banks in scope of CSDDD (both on our own as well as jointly with NVB)
- Aligning CSDDD interpretation with Dutch banks to ensure uniform client requirements
- Where appropriate, informing clients on CSDDD developments (e.g. solar panel engagement)
- Exploring value creation for clients based on CSDDD
- Dutch legislation

Why do we want to be in scope?

- Incentivizing good business behavior
- UNGP & OECD alignment
- Level playing field
- Preferable to national, Dutch legislation



Scenario 1: banks not directly in scope of CSDDD

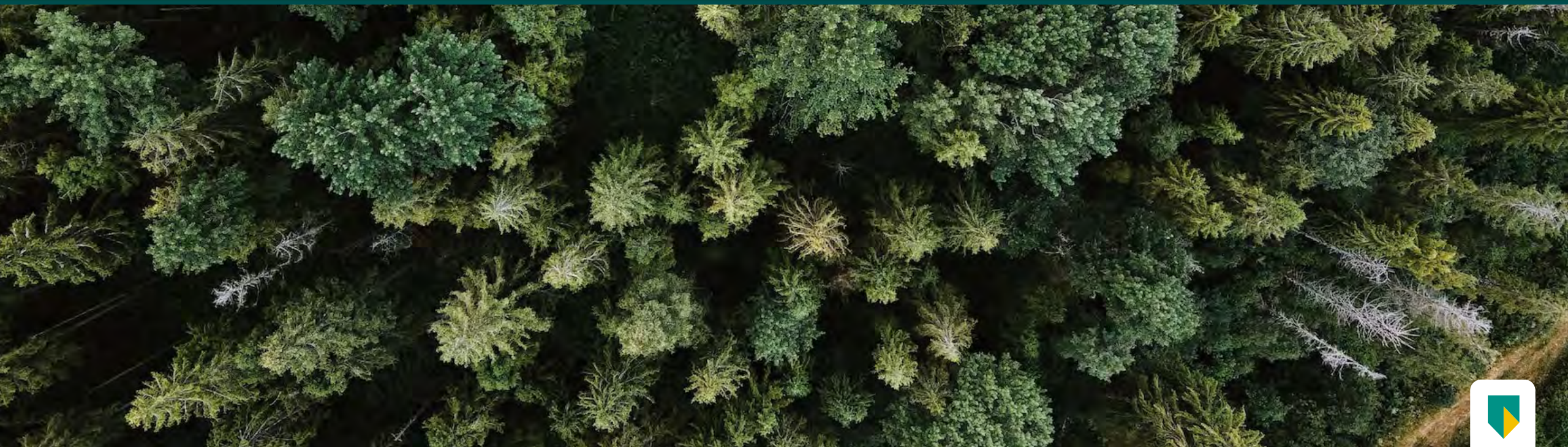


What if banks are not directly in scope of CSDDD?

- Our (corporate) clients will be in scope and/or affected by CSDDD and need to be compliant in their own chains
- Our own operations (for example Procurement, Human Resources) will be in scope, and we need to be compliant in our own chains
- Expectation by Dutch government that banks show initiative in awareness-raising and help companies with CSDDD requirements
- Exploring how to be of most use: chain analysis based on transaction data?
- CSDDD stakeholder dialogue 22 September: listening and understanding to external parties' expectations of ABN AMRO
- Dutch legislation more realistic scenario



Scenario 2: banks directly in scope of CSDDD

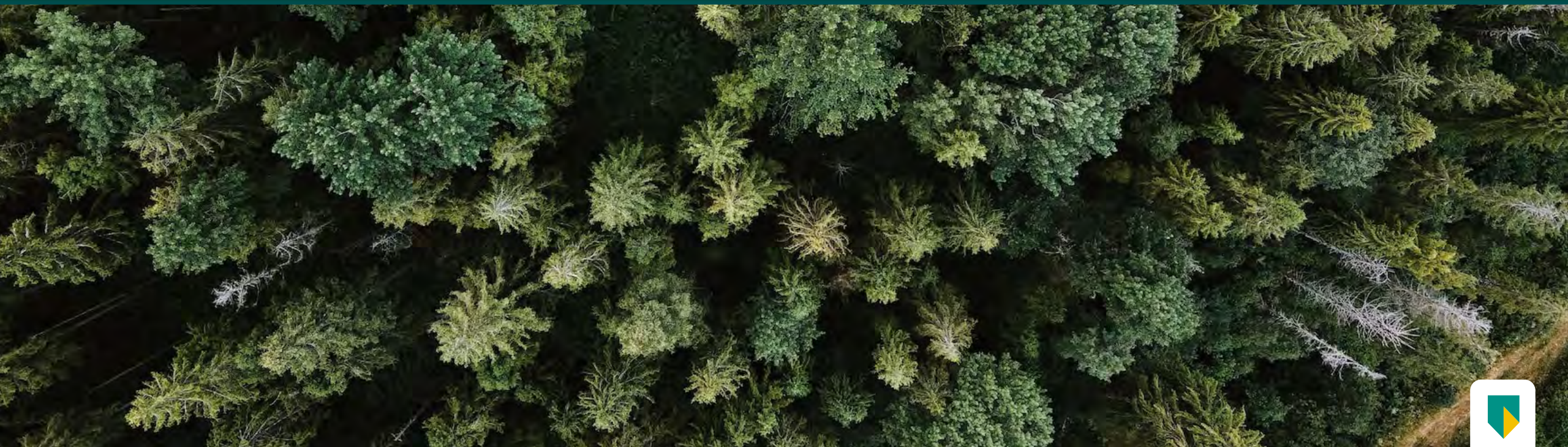


What if banks are directly in scope of CSDDD: changes to our current due diligence approach

- Extent of due diligence regarding supply or value chain: we need to perform more due diligence and in a systematic way
- How risk-based will the legislation be?
- Effective client dialogues/ engagement on how to mitigate or end negative impacts
- Remediation efforts
- Remedy mechanism
- Practice what we preach



Challenges: internal & external



External challenges

- (Dutch) regulatory supervision: are we allowed to learn together and prioritize certain human rights/climate themes? How to prevent de-risking and consistency between choices being made on what to finance
- How to align with other Dutch and European banks: uniform document and client requirements
- GDPR: can we use data the way we'd like to?
- How to adequately fulfil society's expectations

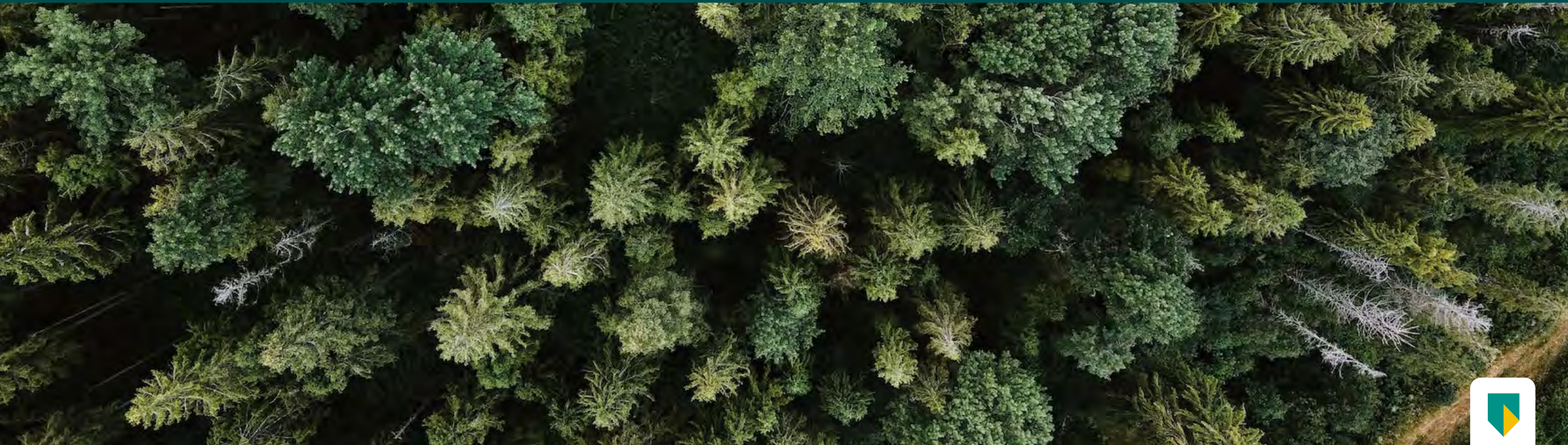


Internal challenges

- We don't 'need' legislation to act: our current sustainability risk framework is based on voluntary principles
- Legislation might set a 'minimum': more difficult to maintain higher ambition level
- GDPR: can we use data the way we'd like to?
- Shortage of expertise and capacity at the client-facing staff side as well as a shortage of experts writing client-specific advice
- Design and implement an effective way of engaging with clients: how to be an inclusive bank?



Human right due diligence in practice: Xinjiang



EU set to ban products made using forced labour

BBC Paul Homewood Home News Sport Weather iPlayer

NEWS

Home Coronavirus Brexit UK World Business Politics Tech Science Health Family & Educa

Asia China India

China uses Uyghur forced labour to make solar panels, says report

10 hours ago



IN BROAD DAYLIGHT Uyghur Forced Labour and Global Solar Supply Chains



AURA T. MURPHY & NYROLA ELIMÄ
Sheffield Hallam University Helena Kennedy Centre for International Justice

VN: China schendt mensenrechten in Xinjiang

Van onze redacteur



Demonstratie van Oeigoeren op het plein in Den Haag. Foto: A

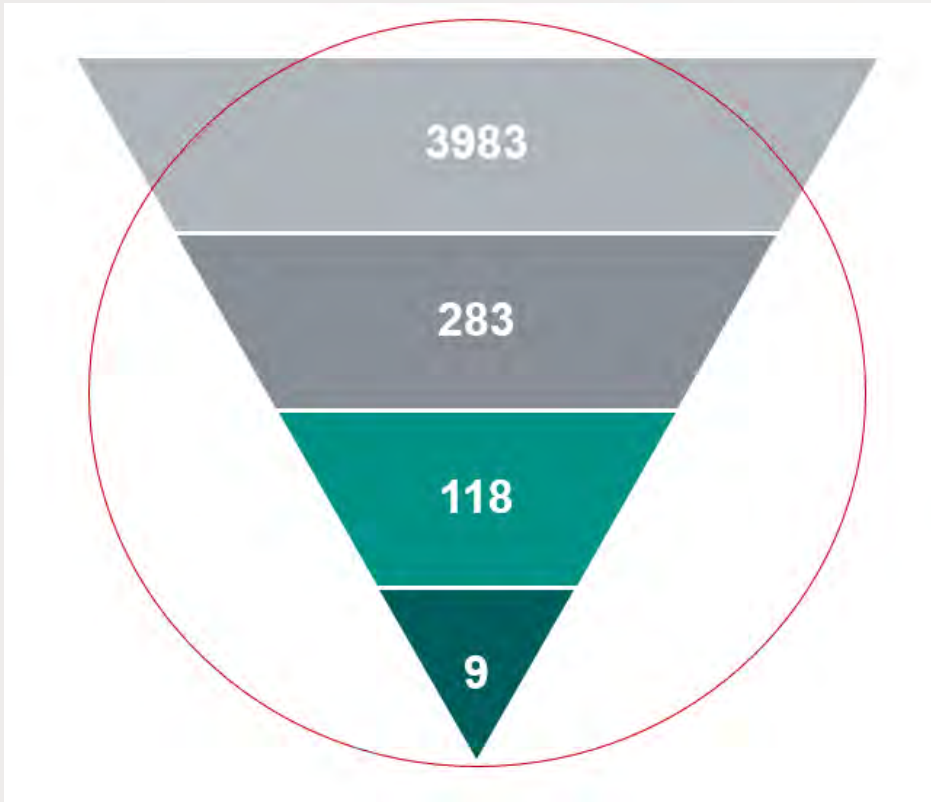
China committed human rights violations in Xinjiang, UN finds

- In 2018 the first proof surfaced that the Chinese government uses the Uyghur minority for forced labour (based on NGO reports)
- An official government report from november 2020 documents 'placement' of 2.6 million minority citizens in farms and factories in the Xinjiang region to perform state-sponsored labor
- The Xinjiang region has plenty natural resources necessary for the production of solar panels
- China has a monopoly position in the solar panel industry: 71% of all solar panels and 97% of all wafers used for solar panels

DFC

Detecting Financial Crime

Due diligence approach



- Data analysis on transactions of clients possibly involved with companies mentioned in various NGO publications
- Data analysis showed customers were transferring money to these companies, 9 customers transferring millions and investigations were initiated on these
- Investigations led to client engagement: clients appreciated this and conversations focused on 'changing' supply chain
- We organized webinars for all solar panel clients informing them of the human rights situation in the Chinese solar panel industry (and CSDDD)
- Also a financial risk: under new legislation the business model is not sustainable



Thank you!

Reach out to me at: nelleke.hoffs@nl.abnamro.com

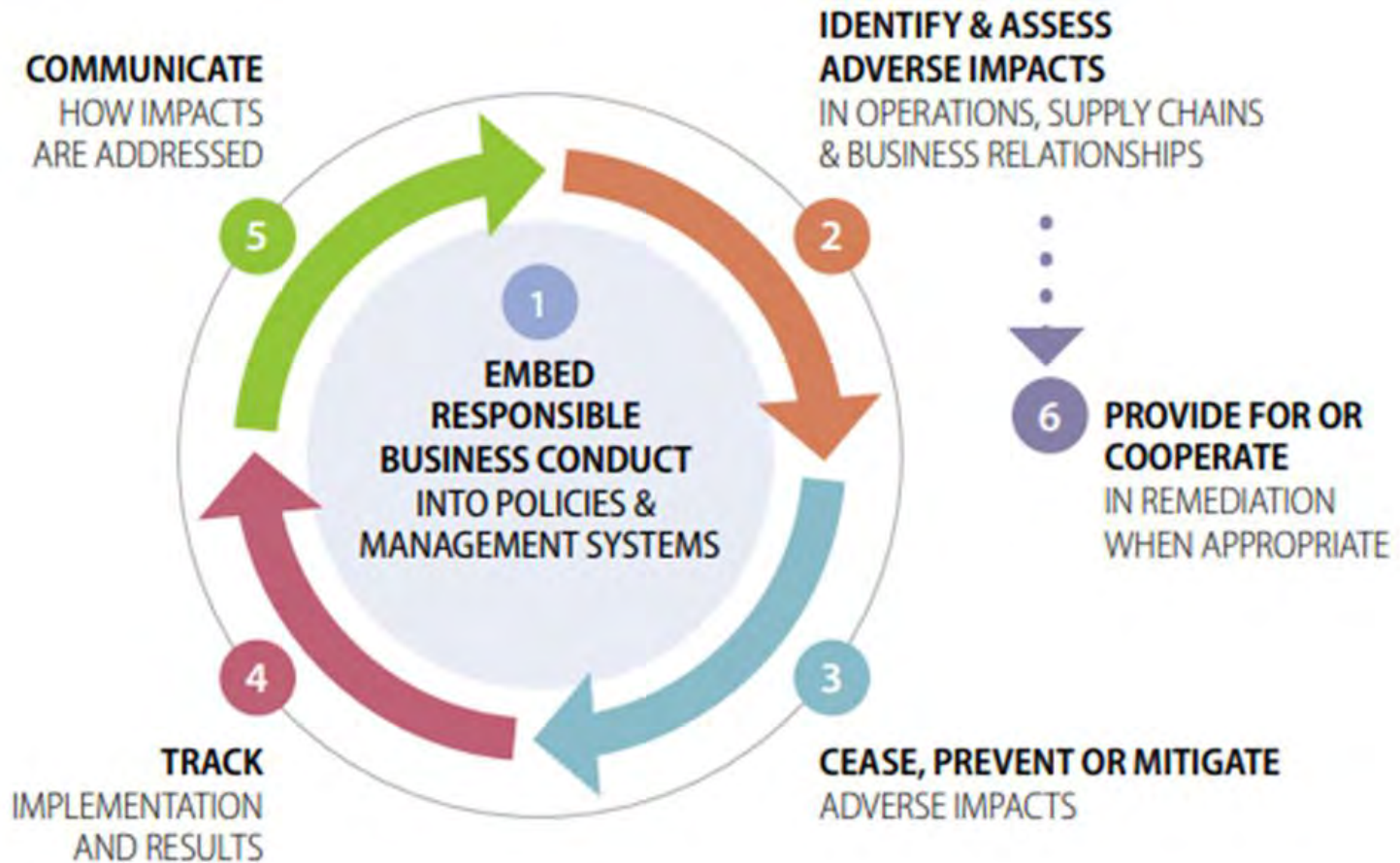




CSDDD and Stakeholder Engagement: The Role of Trade Unions in the Due Diligence Process

Margot Offerijns & Manon Wolfkamp
CNV Internationaal

HREDD · Six Steps of Due Diligence



Stakeholder engagement in OECD

Stakeholders are persons or groups who have interests that could be affected by an enterprise's activities.

Stakeholder engagement:

- an essential element/ characteristic of DD
- in **each of the six steps**
- two-way communication in good faith
- timely sharing of the information in right format
- sometimes a right in itself



Stakeholder engagement in CSDDD

Stakeholder consultation is key element in all three proposals, BUT

In Commission and Council approach more limited:

- Not in each step of DD;
- Not when assessing their involvement or their prioritization
- Not where remediation mechanisms are concerned
- no FPIC



Role of Trade Unions in HREDD



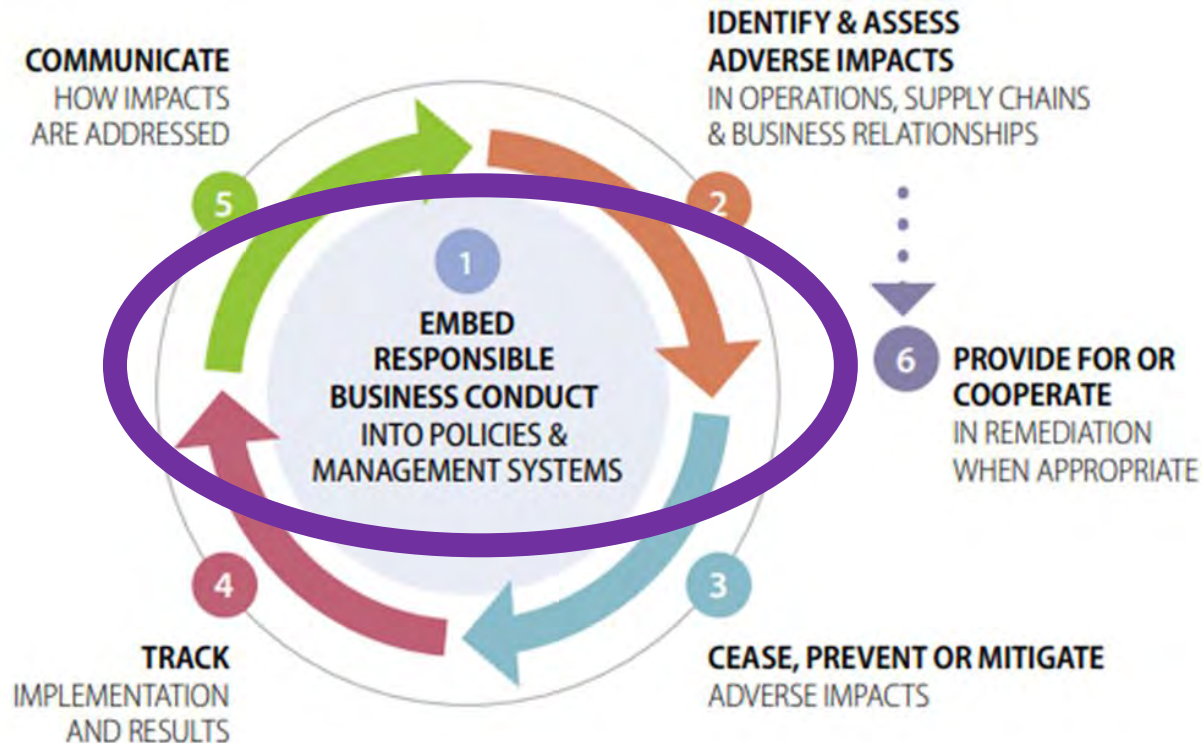
Trade unions are key stakeholders

- In all 6 steps of HREDD

Two key questions for today:

- Why should you involve trade unions?
- How should you involve trade unions?

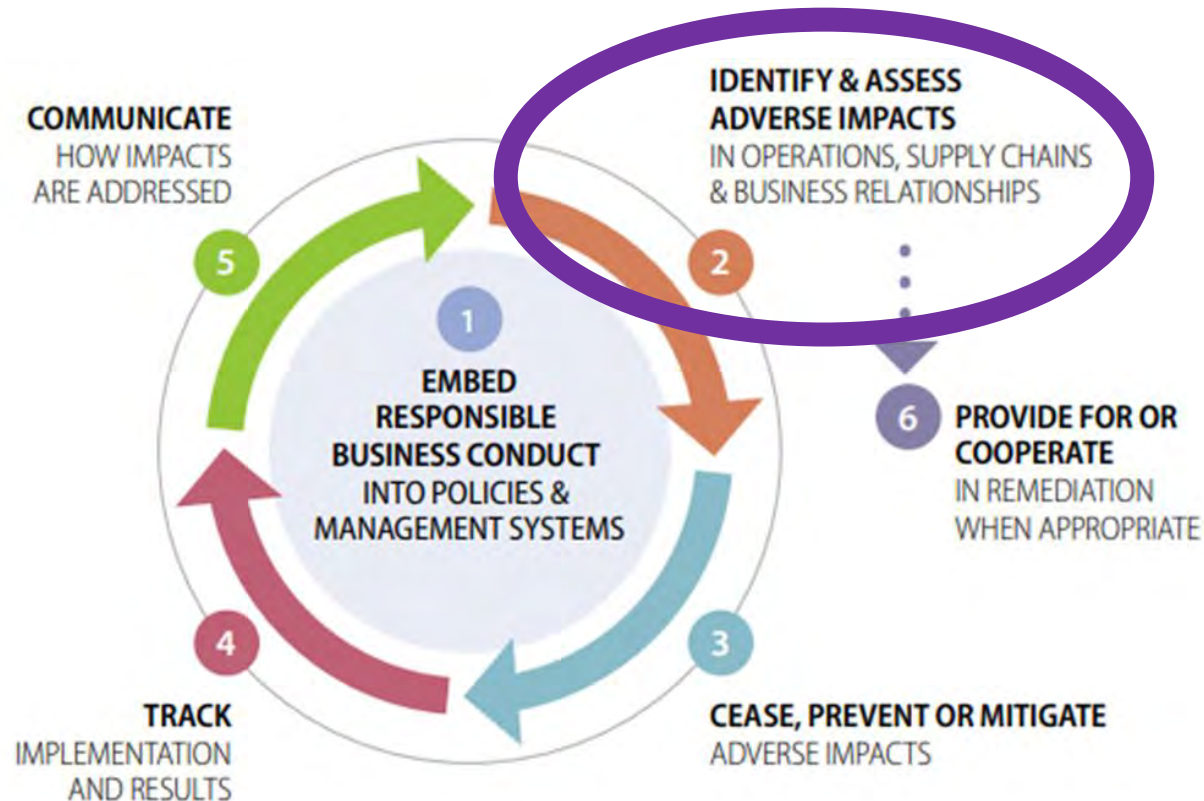
Step 1: Embed RBC



Case: Social Dialogue / (MC)-CBA



Step 2: Identify Adverse Impacts



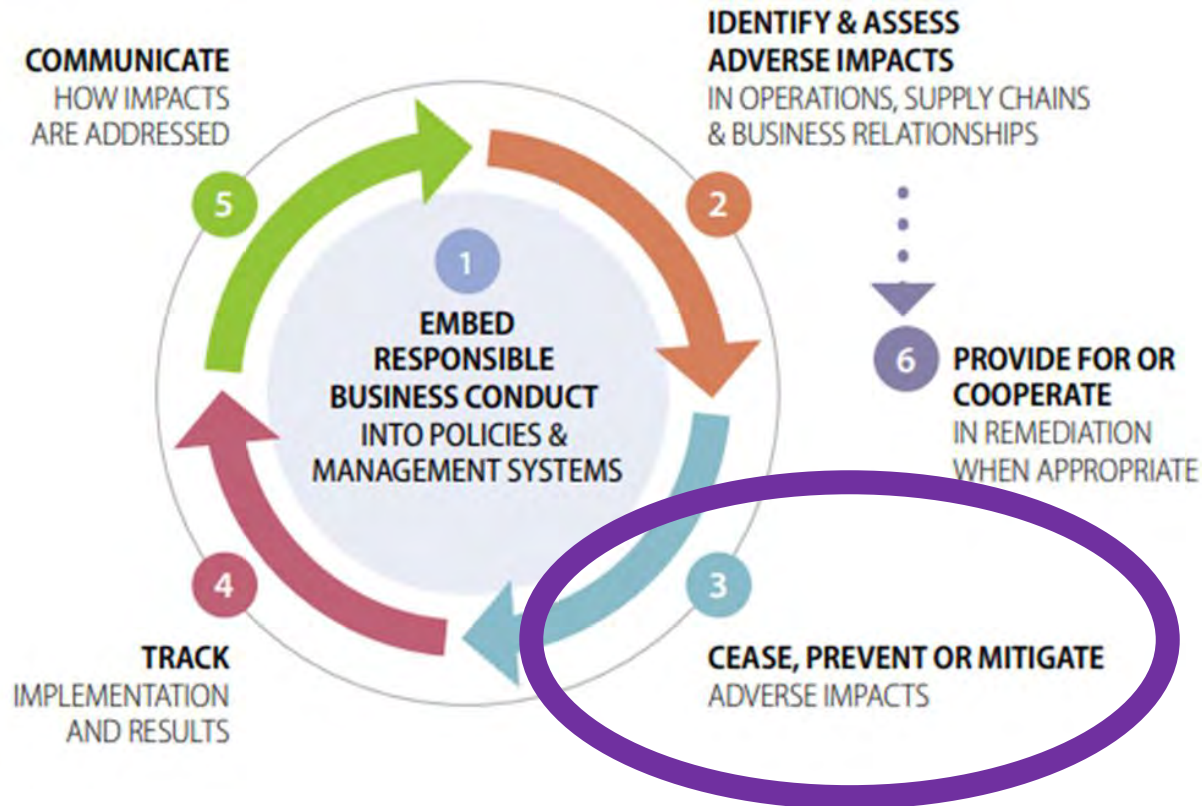
What can a trade union do?

Trade unions can:

- Support in mapping the value chain
- Participate in the prioritization process



Step 3: Cease, Prevent or Mitigate



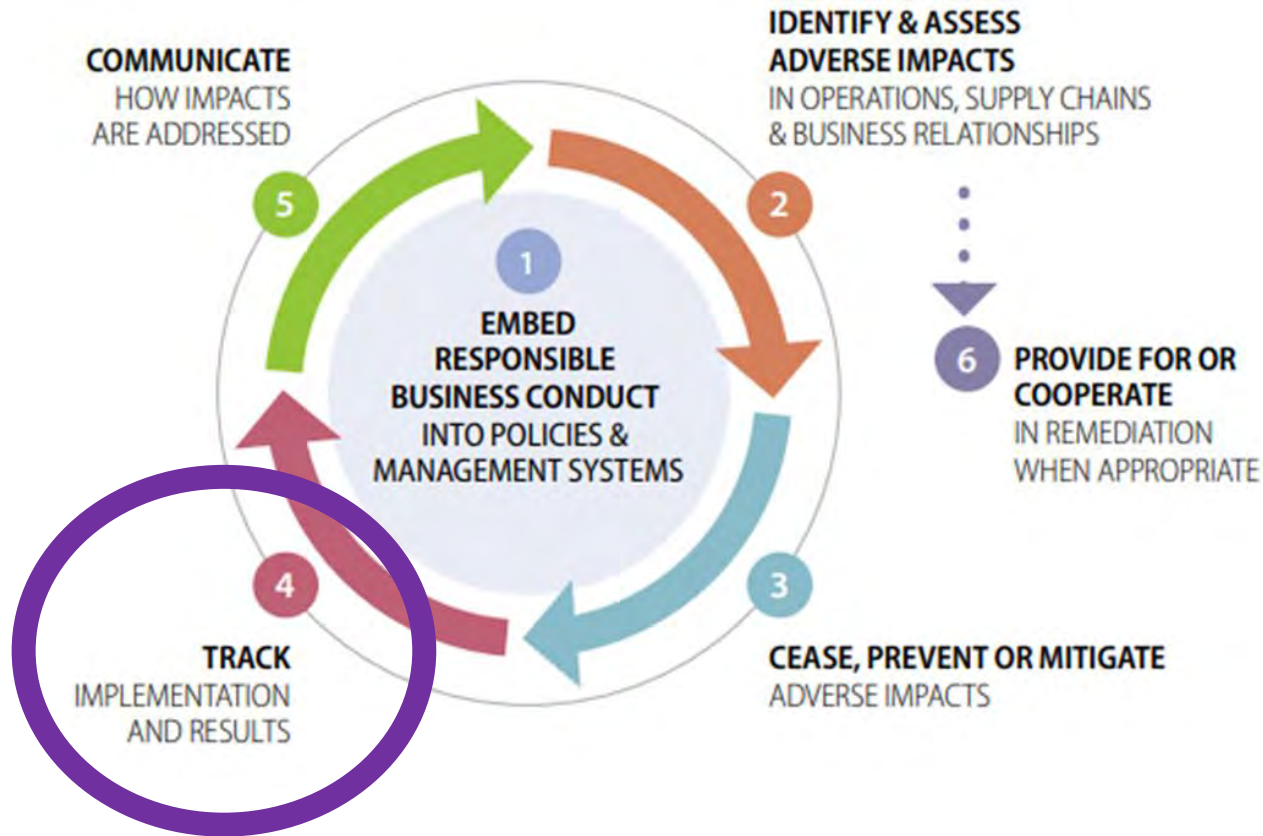
What can a trade union do?

Trade unions can:

- Offer practical solutions on how to prevent or mitigate adverse impacts
- Negotiate on behalf of their members in social dialogue



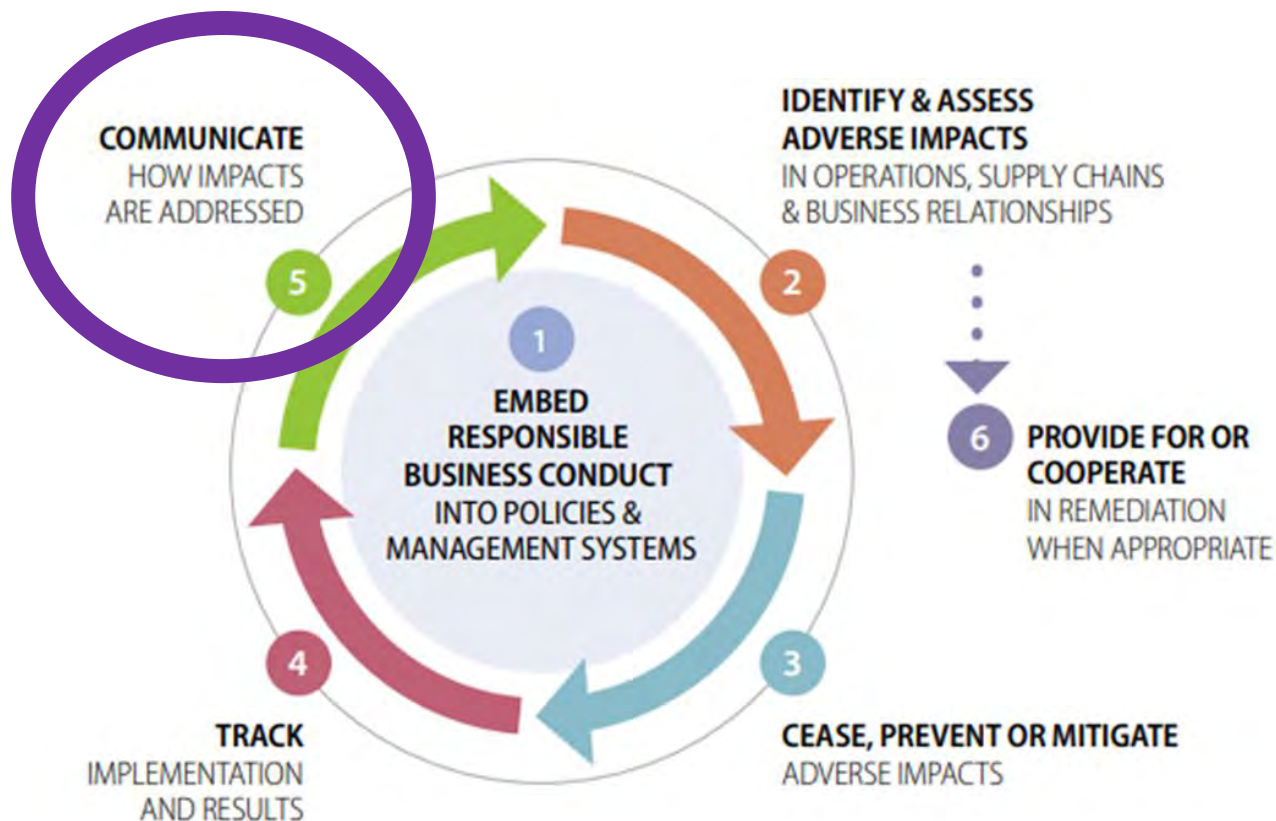
Step 4: Track



Case: Fair Work Monitor



Step 5: Communicate



What can a trade union do?

Trade unions can:

- Provide valuable input for general reporting requirements of the company
- Help communicating new company policies to the workforce

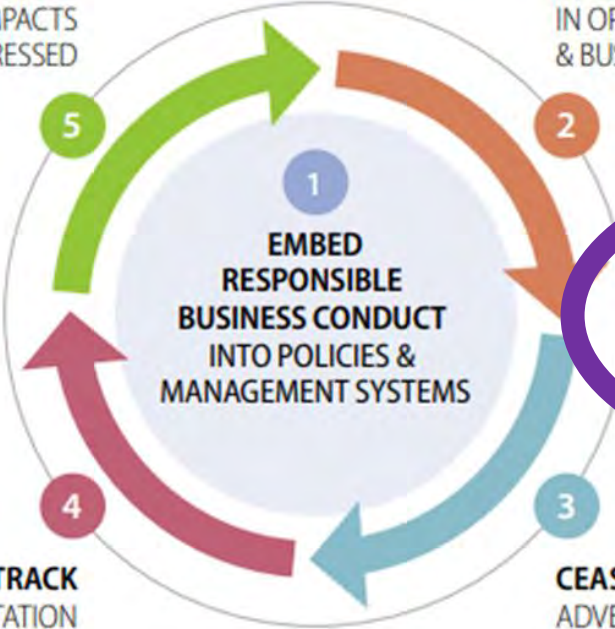


Step 6: Remedy



COMMUNICATE
HOW IMPACTS
ARE ADDRESSED

**IDENTIFY & ASSESS
ADVERSE IMPACTS**
IN OPERATIONS, SUPPLY CHAINS
& BUSINESS RELATIONSHIPS



**6 PROVIDE FOR OR
COOPERATE**
IN REMEDIATION
WHEN APPROPRIATE

TRACK
IMPLEMENTATION
AND RESULTS

CEASE, PREVENT OR MITIGATE
ADVERSE IMPACTS

What can a trade union do?

Trade unions can:

- Support the company in setting up the obligatory grievance mechanism
- Assist workers in filing complaints and monitoring the follow up of the complaint





Questions?

A photograph of terraced rice fields in a valley, with a woman carrying a child in the foreground. The fields are lush green and yellow, and the background shows a misty valley.

Due Diligence in Legislation: CSRD, CS3D & EU Taxonomy

HUMAN breakout session

10 October

Agenda for today's session

- 1 Introductions
- 2 Setting the scene: CSRD, CS3D, EU Taxonomy
- 3 Interactive Zoom on 3 aspects
- 4 Break-outs: your maturity on key due diligence aspects



Introductions



Bas Sprenger de Rover

Sr. Consultant, EY Climate Change and Sustainability Services



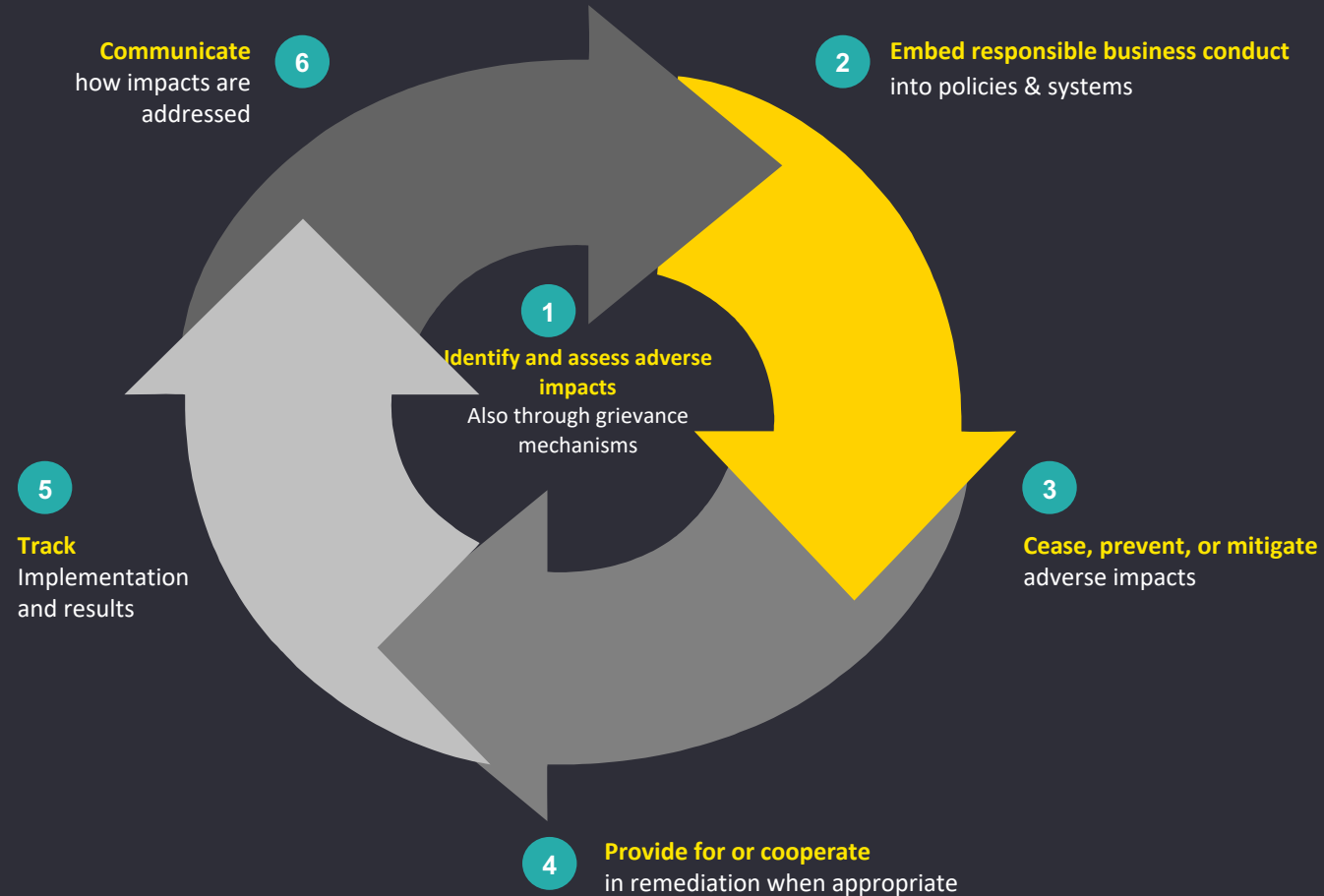
Colette Grosscurt

Sr. Manager, EY Climate Change and Sustainability Services

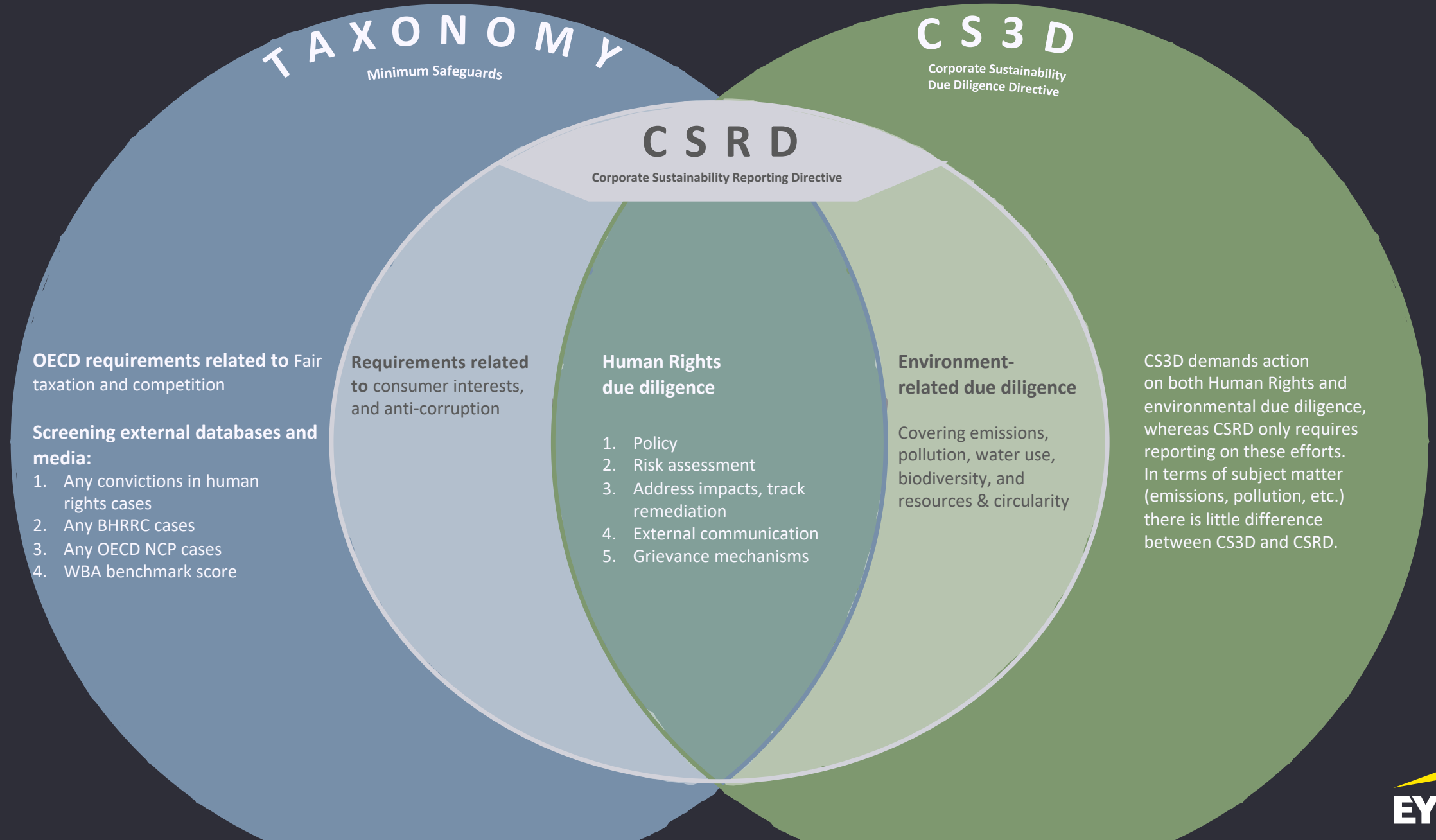
Human rights due diligence building blocks



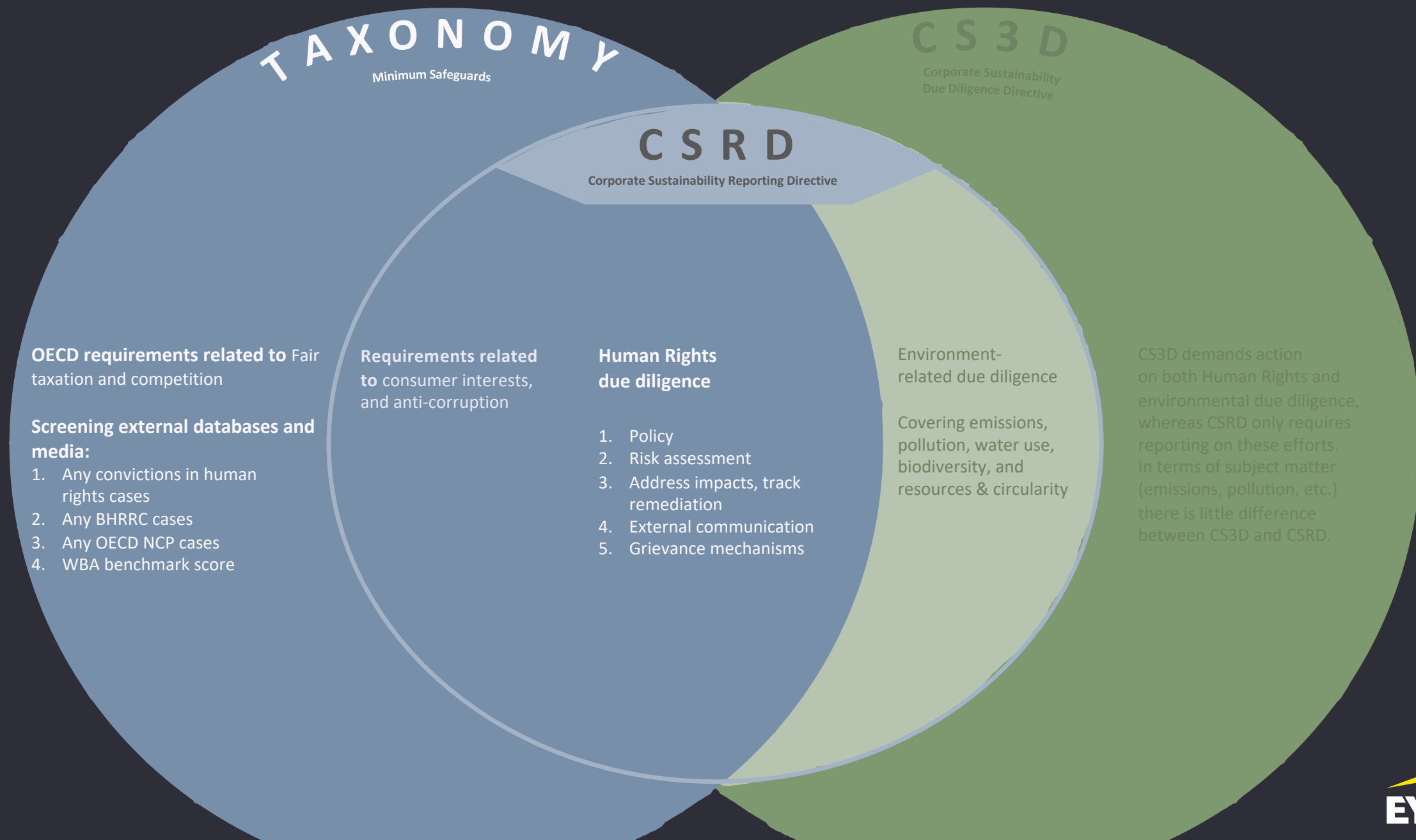
The six key steps of the human rights due diligence process, aligned with the UNGP and OECD guidelines



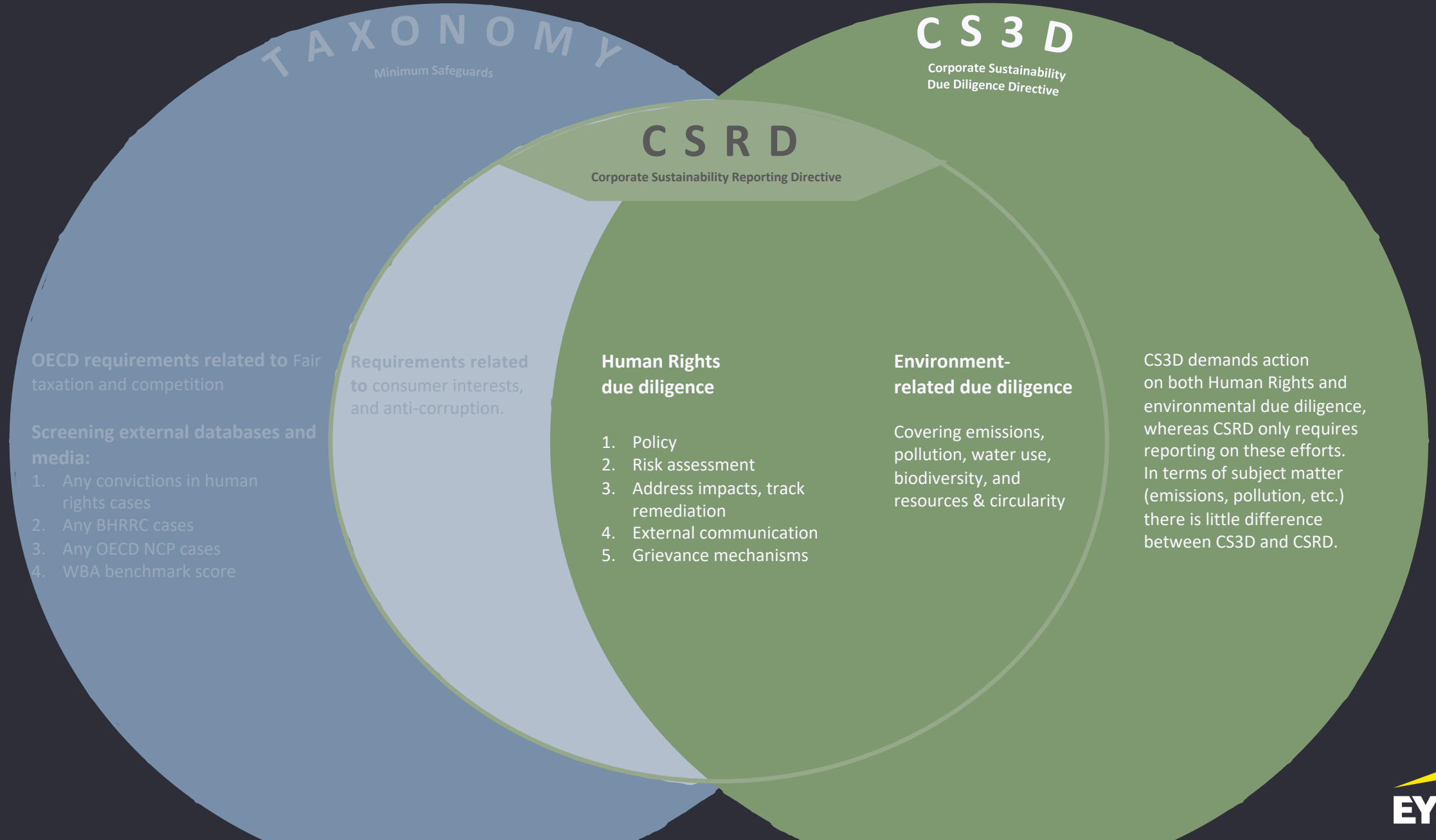
Comparing the **due diligence** requirements of upcoming **EU regulation**



Comparing the **due diligence** requirements of upcoming **EU regulation**



Comparing the **due diligence** requirements of upcoming **EU regulation**



CSRD establishes new and more demanding sustainability reporting requirements

Guidelines and standards

- Mandatory application of reporting extra-financial (lighter version for SMEs)
- Alignment with EU Taxonomy
- Alignment with European/international reference frameworks and standards

Audit and assurance

- Limited assurance required (optional reasonable assurance)
- Assurance statement to be published together with the annual financial statements and management report



What information?

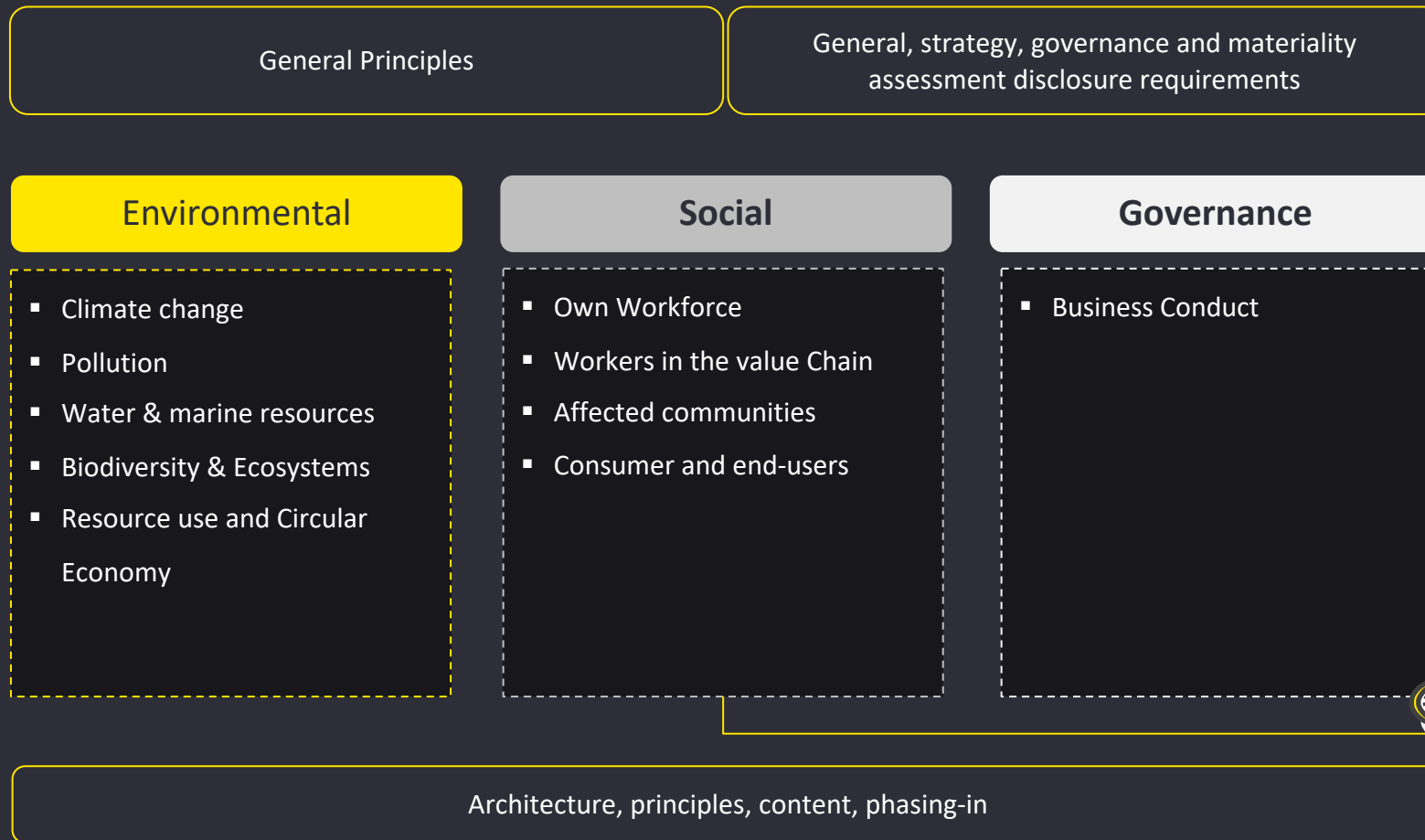
- Corporate strategy: governance model and opportunities identified in terms of sustainable development
- Forward-looking Information and retrospective information

Double Materiality

- "inside-out": impact of the company's activities on the outside world
- "outside-in": external impact on the company's value creation process

Companies should report information necessary to understand the risks that sustainability issues present...

... and the impacts on themselves, people and the environment.



Processes to remediate negative impacts and channels for stakeholders to raise concerns

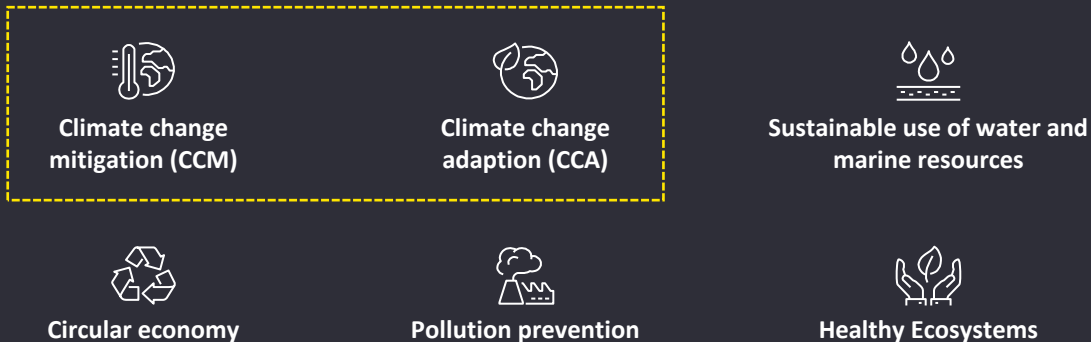
Undertaking to describe:

- **approach to contributing to remedy** and how it assesses its effectiveness
- **channels** in place for stakeholders **to raise concerns or needs** (own/third party)
- support **business relationships** on availability of such channels
- how it **tracks and monitors issues** raised and how it ensures effectiveness
- whether and how it assesses that **stakeholders are aware and trust** these structures or processes
- policies regarding **protection of individuals** that use them against retaliation

EU Taxonomy – What does it mean?

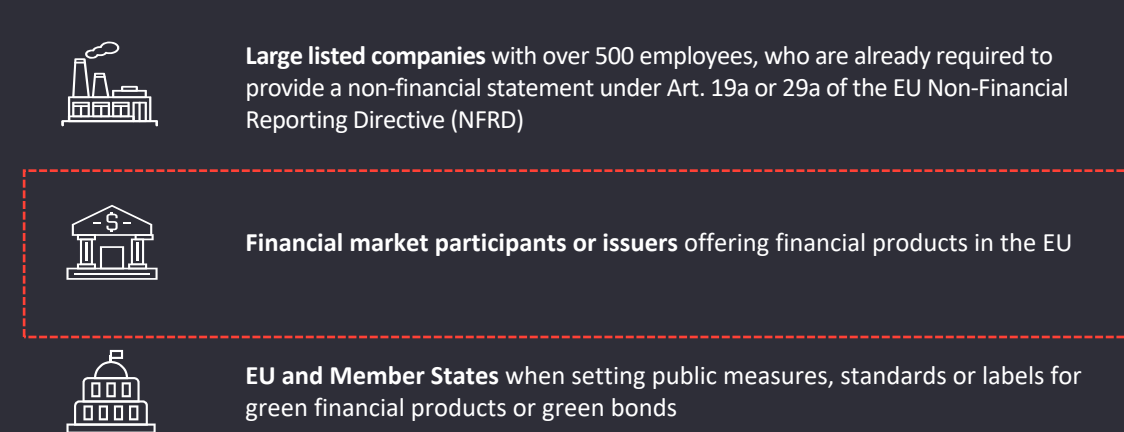
It provides a regulatory classification system for sustainable economic activities

Six Environmental Objectives



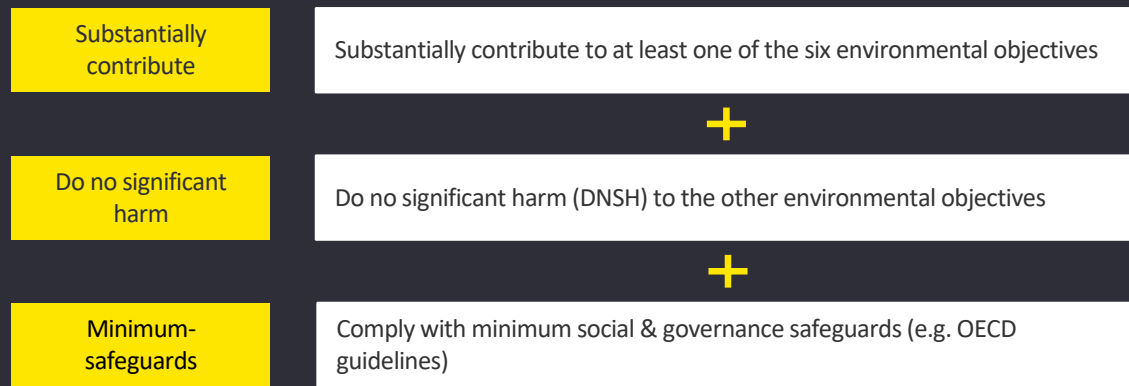
CCM & CCA come into force in 2022 for FY2021 data (**ELIGIBILITY**). Remaining four objectives come into force in 2023 for FY2022 data (**ALIGNMENT**).

Mandatory Users



Three level test

To be classified as **sustainable**, an **economic activity** must:



Disclosure Requirements – Non-Financial Undertakings

Turnover **+** CapEx **+** OpEx

Disclosure Requirements – Financial Undertakings

Green asset ratio (GAR)*

*Central governments, central banks, supranational issuers, derivatives and undertakings not obliged to report under NFRD are excluded from numerator of GAR

EU Taxonomy – minimum safeguards in context

Disclosure requirements – Non-financial undertakings

Turnover

+

CapEx

+

OpEx

Disclosure requirements – Financial undertakings

Green asset ratio (GAR)

Six environmental objectives



Climate change mitigation (CCM)



Climate change adaption (CCA)



Sustainable use of water and marine resources



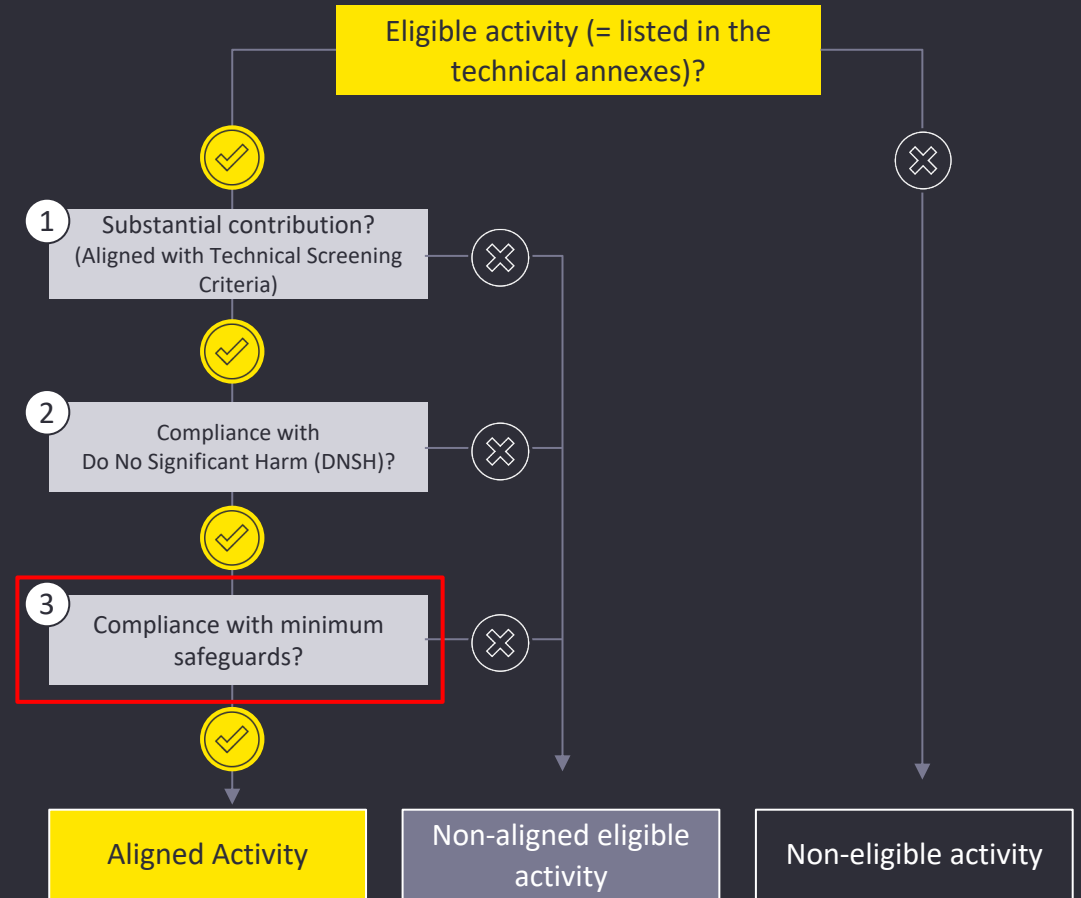
Circular economy



Pollution prevention



Healthy ecosystems





OECD guidelines for multinational enterprises

Recommendations on responsible business conduct addressed by governments to multinational enterprises, on several topics including respect of human rights.



United Nation Guiding Principles on Business and Human Rights

Set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations.



8 fundamental conventions of ILO

Commitments, focused on 4 type of human rights (freedom of association, child labour, forced labour and discrimination), that all states and companies have to respect.



International Bill of Human Rights

Exhaustive list of human rights and their definitions.

Article 18

Minimum safeguards

1. The minimum safeguards referred to in point (c) of Article 3 shall be procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

2. When implementing the procedures referred to in paragraph 1 of this Article, undertakings shall adhere to the principle of 'do no significant harm' referred to in point (17) of Article 2 of Regulation (EU) 2019/2088.



This slide presents a high level overview of the key requirements of the UNGP and OECD related to human rights due diligence.

Policies

- Publicly available policy statement covering personnel, business partners and other parties
- Approved at most senior level of the organization

DD & Risk Assessment

- Ongoing DD is performed covering possible own and indirect, actual and potential impacts
- Risk assessment is carried out identifying most significant risk areas

Addressing Impacts

- Responsibility assigned to appropriate level
- Remediation is provided for adverse impacts
- Prevention activities are in place to avoid adverse impacts
- Effectiveness is tracked

Communication

- External reporting towards all intended stakeholders
- Does not result in adverse impacts for affected stakeholders (e.g. privacy infringement)

Grievance Mechanisms

- Trustworthy and accountable grievance mechanism in place
- Known and accessible to all stakeholders (individuals and communities)
- Information availability to stakeholders on impacts
- Outcome/remedies to accord with internationally recognized human rights
- Absence of disciplinary action against whistleblowers

Human Rights in the CS3D

CS3D obligations:

- 1** Adopt and integrate a policy for supply chain due diligence
- 2** Identify and assess actual or potential adverse human rights and environmental impacts
- 3** Prevent, mitigate or cease actual or potential adverse impacts
- 4** Establish and maintain a complaints procedure
- 5** Monitor policy effectiveness
- 6** Publicly report

Who is in scope?

- European companies with >500 employees and >150m net turnover
- European companies in high-impact sectors (e.g. agriculture, textile industry, chemicals), with >250 employees and >40m net turnover
- Non-European companies operating in the EU and meeting the above criteria

EY Public Policy Office, Brussels:

“There seems to be minimal agreement on any of the articles within the Directive, which calls into question whether the Directive could be finalized by the end of 2023.

No specific discussions have taken place on the definition of value chain, civil liability or the treatment of financial services.

Next steps: The next trilogue is expected to take place in mid-November.”

Breakouts: how mature is your organisation each aspect of due diligence?

DISCUSS

- Reflect on the maturity of your respective organizations on each of the following aspects of due diligence

REPORT BACK

- Discuss amongst the group:
 1. The similarities and differences we observe between our respective organizations. Which aspects tend to be most mature?
 2. Where do we foresee challenges? Which topics are not mature yet?

1. Risk/impact analysis

2. Tracking the effectiveness of remediating measures

3. Translating policy into internal processes

About EY

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Corbion Human rights due diligence in our cane sugar supply chain

Kaya Thiele
VBDO Human event
October 10, 2023



Who am I?

Currently

- Leading the alignment of Corbion's due diligence processes with the UNGPs in preparation for CSDDD and ESRS S2. Improving social performance and reporting.

Previously

- Assessed corporate complicity in human rights violations (soy, palm, aerospace & defense industries) to inform responsible investment decisions.
- Provided in-house ESG advisory and sustainability reporting on social topics (pharmaceutical industry).



Talking points

- Background: Corbion + cane sugar
- Responsible Sourcing
- Social Value Assessments
- New initiatives for CSDDD
- Challenges and opportunities



Background

- Corbion is a global market leader in lactic acid and its derivatives - our business model relies heavily on sugar, making it one of our key raw materials.
- Production plants in Thailand and Brazil – we source cane sugar directly from mills (rather than through traders).
- High risk commodity and inherent human rights risks in these geographies make responsible sourcing of sugar a priority.
- Corbion has committed to 100% verified responsible sourcing of cane sugar by 2025 (currently 91%).



88% of land disputes in SEA are unresolved

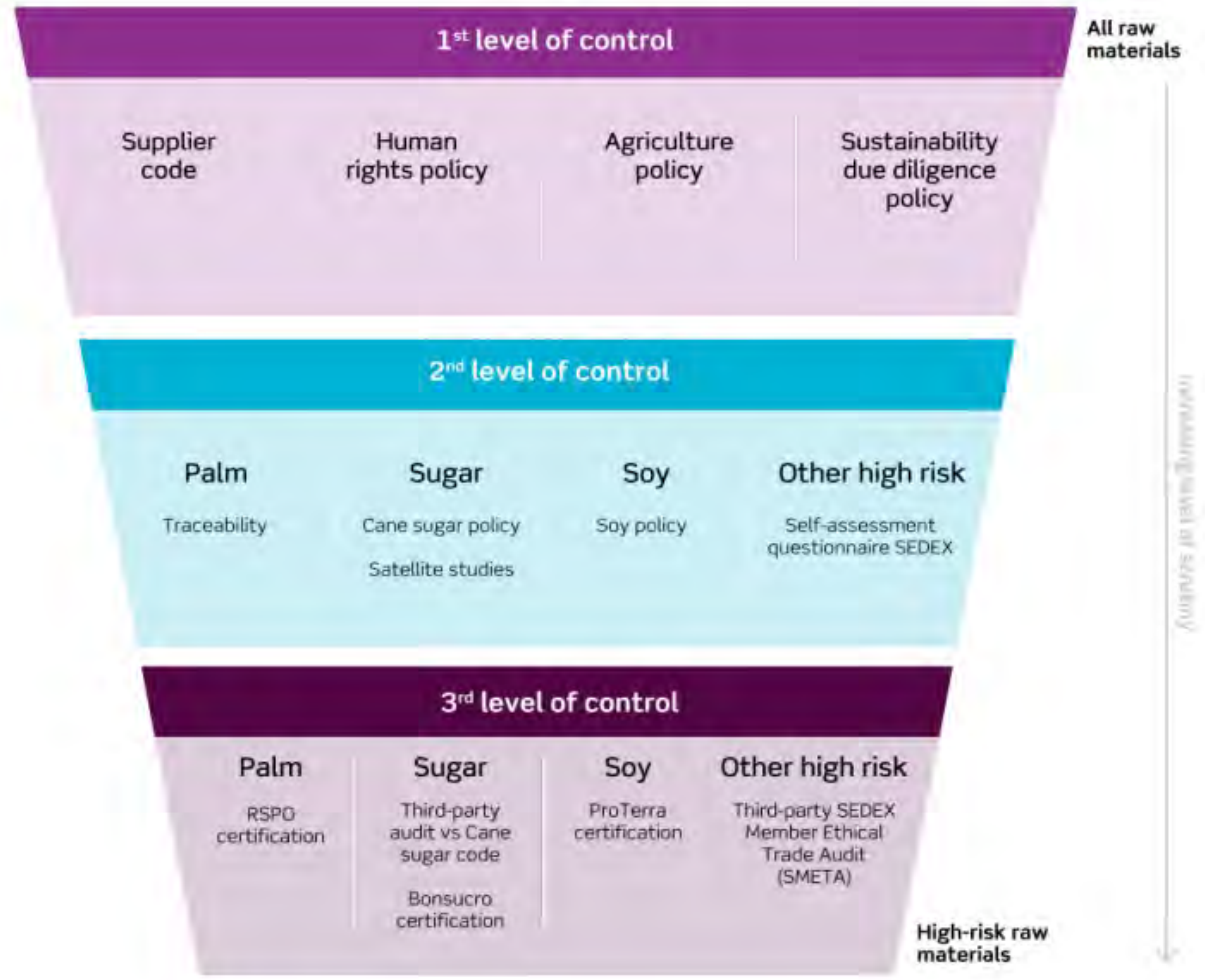


Thailand: 13% of children aged 5 to 14 involved in labor



Brazil: 35,000 people rescued from slave labor in past 15 years

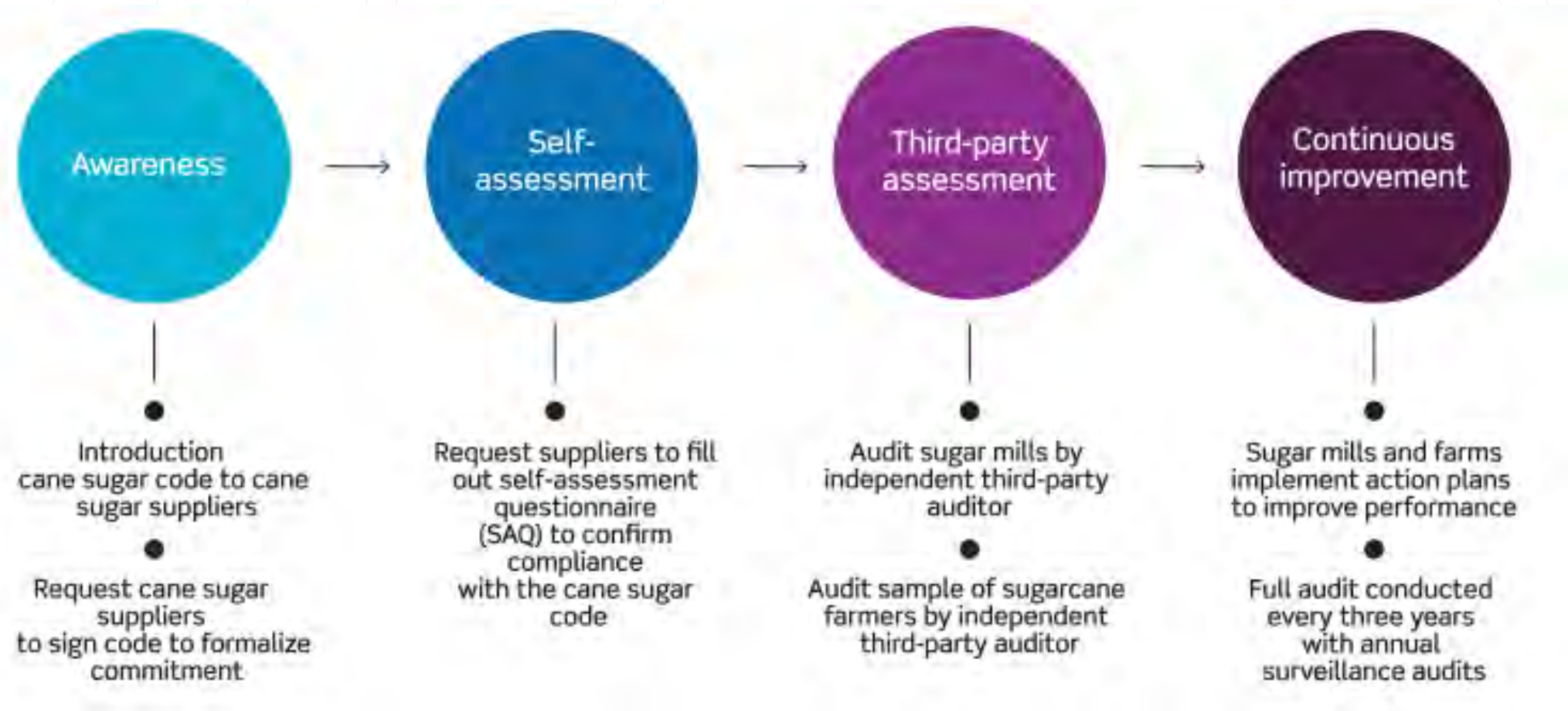
Responsible sourcing – key raw materials



Cane Sugar Code

- Based on Bonsucro standards, OECD Guidelines and ILO core conventions.
- Launched in 2016 and introduced to all suppliers in 2017.
- Audits initiated in 2018.
- Corbion committed to purchasing 100% verified cane sugar by 2025 – either through Bonsucro certification or 3rd party auditing against cane sugar code.
- In order to achieve this goal, we provide training and guidance to our suppliers.

Cane Sugar Code Process





Social Value Assessment

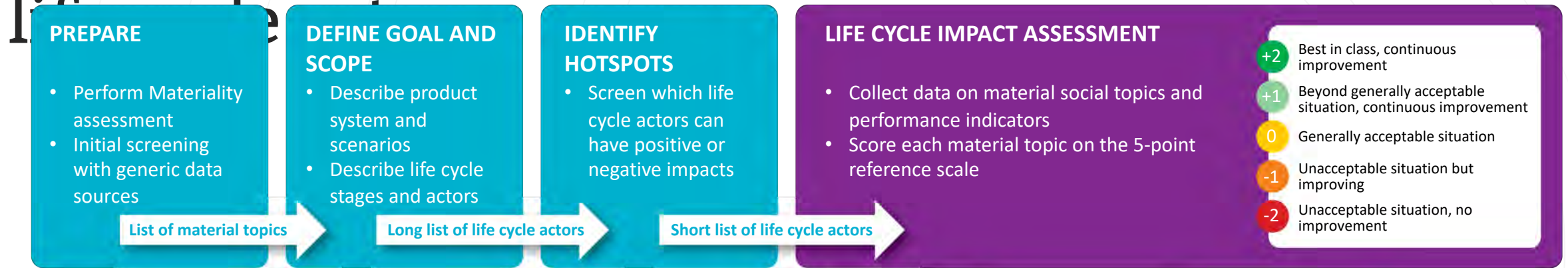
The **Social Value Initiative** is a community of professionals striving to make a difference for workers, local communities, small-scale entrepreneurs and users through knowledge exchange in an industry driven initiative that combines scientific rigor with pragmatism.

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 recognized for its high quality, credibility and business viability.

Methodology for Social Value Assessment developed by partners. **Applied to our sites and supply chain actors.**



Stepwise approach to assess relevant topics and



STAKEHOLDER GROUPS:

- WORKERS**
- USERS**
- LOCAL COMMUNITIES**
- SMALL-SCALE ENTREPRENEURS**

SOCIAL TOPICS:

SOCIAL TOPICS:	WORKERS	USERS	LOCAL COMMUNITIES	SMALL-SCALE ENTREPRENEURS
	<ul style="list-style-type: none"> • Occupational health and safety • Remuneration • Child labor • Forced labor • Discrimination • Freedom of association and collective bargaining • Work-life balance 	<ul style="list-style-type: none"> • Health and Safety • Responsible communication • Privacy • Accessibility • Affordability • Effectiveness and comfort 	<ul style="list-style-type: none"> • Health and Safety • Access to tangible resources • Community engagement • Skill development • Contribution to economic development 	<ul style="list-style-type: none"> • Meeting basic needs • Access to services and inputs • Women's empowerment • Child labor • Health and Safety • Land rights • Trading relationship

Current developments - integration of existing tools



Used in risk assessment and SVA.

Development:

Assessing incidents on severity and linkage to determine appropriate response.



Used to monitor high risk suppliers.

Development:

Onboarding majority of supplier base to better inform DD process.



Used to manage supplier base.

Development:

Participating in ESG advisory group and exploring potential for data collection on social issues.



Used to assess social impact of our products.

Development:

Working with SVI to align methodology with UNGP/OECD guidance on human rights DD.

New Platform

Exploring emerging DD tools to monitor suppliers beyond Tier 1.

Peer learning/collaboration through Bonscuro to select best tool.

OECD Guidelines on Human Rights Due Diligence, and our Landscape Assessments



Challenges and opportunities – grievance mechanisms

Ensuring supply chain workers have access to remedy and channels that meet UNGP criteria.

Approach:

- Continue engagement with suppliers on the topic
- Landscape assessment to inform need for direct support for suppliers on grievance mechanisms and remediation.
- Provide education and tools (e.g., platform) if needed.

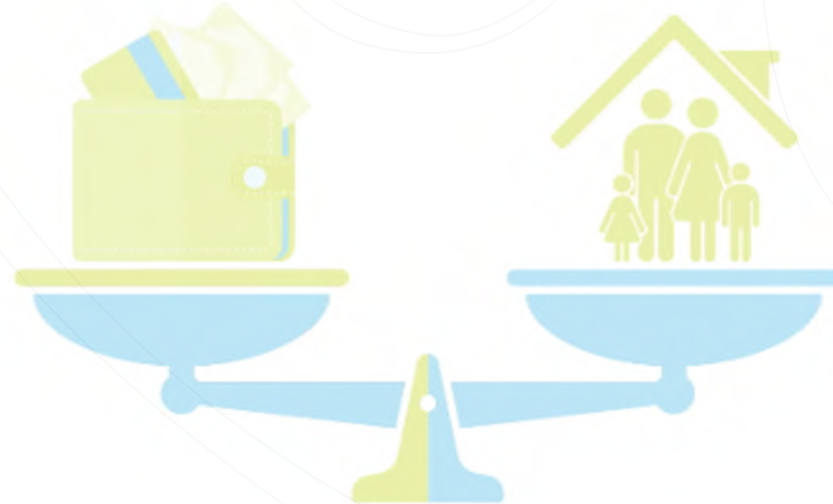


Challenges and opportunities – living wages

Ensuring living wage in supply chain as aspect of decent work.

Approach:

- Join working groups and relevant partnerships and initiatives.
- Establish joint action plans with supply chain partners to work towards achieving living incomes.



Challenges & opportunities – Environmental vs. Social

Bridging the gap between environmental and social initiatives and reporting.

Approach:

Explore and integrate social outcomes into regenerative agriculture projects with suppliers as part of our sugar supply chain carbon sequestration plan.



Priorities for CSDDD preparation

1. **Assess and identify gaps against UNGPs and OECD Guidance**
2. **Embed meaningful engagement** with workforce, suppliers, supply chain workers, and communities into due diligence process.
3. **Assess effectiveness of grievance mechanisms** within supply chain
4. **Continue monitoring and taking action** on identified human rights impacts
5. **Improve transparency** on human rights performance internally and externally



Thank you!

Questions, comments, feedback?

*For more information see Corbion's Annual
Report
and Policies & Statements webpage.*





Corbion
Keep creating

Closure

Angélique Laskewitz
(director VBDO)



Thank you

Thank you for attending HUMAN 2022. Please expect a recording of this event made available on our website in due time.

Enjoy your drinks, and see you next year!

