



SUSTAINABILITY
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MEASUREMENT SCIENCE

Social Sustainability Assessment Literature Review

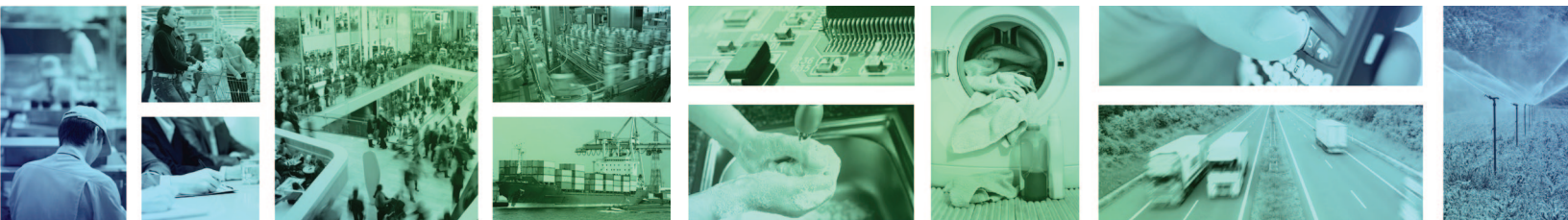
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ABSTRACT

The triple bottom line interpretation of sustainability (Elkington, 1997) is commonly used by companies, governments and NGOs. It calls for the social pillar of sustainability to be an integrated part of sustainability measurement and reporting. This document provides an overview of the social responsibility landscape and how existing tools and methodologies can be mobilized in the SMRS process. Various social assessment tools provide us with learning experiences, examples of social criteria frameworks, along with other useful elements. The first part of this document provides information on the role of the life cycle perspective in assessing social impacts. Part 2 describes different methodologies available to assess social impacts and how they relate to one another, as well as different initiatives that are shaping the social responsibility field and hence affecting business practices. This section serves as a literature review relevant to the assessment of social impacts in products supply chains. The third part of the document outlines the initial approach to develop prototypes of social SMRSs.

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Businesses should be “achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment” and include “a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains and decision-making processes throughout the company.”

– Business for Social Responsibility, 2009

As the TSC considers tools for sustainability assessment, this definition of Social Responsibility is a particularly relevant starting point. It is a comprehensive and operational definition, and one that fits nicely within the context of product life cycles and Social Life Cycle Assessment.

PART 1. INTRODUCTION: A LIFE CYCLE PERSPECTIVE OF SOCIAL RESPONSIBILITY

What do we mean by Social Responsibility?

Production, distribution and sale of goods and services are at the heart of business missions since they create value for owners, shareholders, stakeholders and society in general. Along with the creation of value comes a larger responsibility commonly designated as corporate social responsibility (CSR). CSR refers to the responsibilities enterprises can assume in order to contribute to sustainable development (UNEP-SETAC, 2009). Business for Social Responsibility (BSR), an organization that assists businesses in contributing more fully to sustainable development, proposed that in order to achieve social responsibility, companies must integrate practices into *every* aspect of their operations, maintaining that businesses should be “achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment” and include “a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains and decision-making processes throughout the company” (BSR, 2009).

The UNEP-SETAC Guidelines for Social Life Cycle Assessment of Products (“The UNEP Guidelines”) present four different definitions of Social Responsibility. The most frequently cited definition of CSR is that of the European Commission: CSR is “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (EU Communication, 2006). Another frequently cited definition comes from the World Business Council for Sustainable Development: “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large” (WBCSD, 2000).

The UNEP Guidelines highlight that there is no international consensus on the scope of CSR’s definition. Two primary causes explain this lack of consensus: divergence in opinion about legal accountability (i.e. is CSR voluntary or not?) and regional differences in the interpretation of its content. There are, however, some distinguishable trends worldwide:

- A general support for and reference to international human rights and workers’ rights;
- The importance for enterprises to consider and engage with their different groups of stakeholders;
- The inclusion of environmental and economic aspects in the CSR definition (UNEP-SETAC, 2009).

This broader understanding of CSR is echoed by many scholars such as Blowfield and Frynas (2005) who adopts a definition of CSR, as

- an umbrella term for a variety of theories and practices all of which recognize the following: (a) that companies have a responsibility for their impact on society and the natural environment, sometimes beyond legal compliance and the liability of individuals; (b) that companies have a responsibility for the behaviour of others with whom they do business (e.g. within supply chains); and that (c) business needs to manage its relationship with wider society, whether for reasons of commercial viability, or to add value to society.

How a particular CSR effort is constructed and managed will depend on the issues most relevant to enterprises involved and their stakeholders (Dahlsrud, 2008). For the TSC, as it considers tools for sustainability assessment, the definition of Social Responsibility by BSR is a particularly relevant starting point. It is a comprehensive and operational definition that fits nicely within the context of product life cycles and Social Life Cycle Assessment.

Which Operational Level is the Focus?

We can look at CSR in a horizontal manner, where the focus is on the impacts of “one” organization, often the end producer or brand. We can also look at CSR in a vertical manner, where the spotlight is on the impacts associated with a *product* life cycle. The term “product” refers to both goods and services. By definition, a product’s life cycle includes “all stages of a product system, from raw material acquisition or natural resource production to the disposal of the product at the end of its life, including extracting and processing of raw materials, manufacturing, distribution, use, re-use, maintenance, recycling and final disposal (i.e., cradle-to-grave)” (UNEP-SETAC 2009).

For example, we can assess the social responsibility performance of Unilever, as an organization, or we can assess the social responsibility of the supply chain or life cycle of Unilever Hellmann’s Real Mayonnaise. The horizontal view of social responsibility (i.e. the organizational view) has been the main scope of most CSR initiatives, including the Global Reporting Initiative, ISO 26 000 and the Global Compact, and also for the field of responsible investing. See Part 2 for further discussion on these initiatives. In comparison, a vertical view assesses social responsibility across the entire life cycle of the *products*, looking at the social impact of the products produce by the brand or end producer. The focus is less on the end producer/brand owner and more on all the different nodes of their product supply chains.

Sometimes, large enterprises also adopt a horizontal view in the context of their supply chains (for the first tiers of suppliers). This is especially common if the same set of suppliers is manufacturing several parts going to *different* products and if these

manufacturing activities occur in several countries. For example, an enterprise working in the Electronics sector and producing several electronic products, such as printers, cell phones and computers, may have interconnected supply chains: suppliers based in different countries, manufacturing the parts for several of their products. In this case, the assessment of social responsibility focuses on the first tiers of suppliers treated like a group. Hence, adopting a product life cycle view for the assessment of social responsibility, looking at impacts one product at a time, may be new in several business contexts.

The Benefits of Assessing Supply Chains and Product Life Cycles

In increasing displays of ethical consumerism, shoppers are choosing products and brands based on their moral and ethical understanding of the environmental and social issues related to a product life cycle. Ethical consumerism, the fair trade movement and socially responsible purchasing have contributed to enlarge the scope of CSR.

Social Life Cycle Assessment provides added value to the evaluation of Social Responsibility because it provides a comprehensive and targeted analysis of a product's social footprint. When enterprises adopt a product life cycle perspective, they prevent the shifting of negative impacts from one life cycle stage to another, or from one social issue to another.

One of the reasons to adopt a product life cycle angle of social responsibility is to communicate to retailers and to the end consumer about the social impacts (positive and negative) of the particular product they sell and buy. Consumer activism and ethical consumerism refer to the influence that consumers have on the market and on ethical issues in general through purchasing decisions (Harrison, 2005). Consumers may choose among products and brands based on their moral and ethical understanding of the environmental and social issues related to a product life cycle. The market share of ethical consumerism has grown constantly in the last decade. In particular, Packaged Facts, a market research firm, has found that sales in the ethical products market—defined as those that meet ethical standards such as eco-friendly or organic—were poised to reach \$38 billion by the close of 2009, totaling an 8.7 percent increase from 2008 (Packaged Facts, 2009).

Other reasons for enterprises to adopt a product life cycle perspective include preventing the shifting of negative impacts from one life cycle stage to another, or from one social issue to another. It also makes sense for large Fortune 500 companies/brands, which produce/retail a wide spectrum of products, to tackle Social Responsibility issues one product at a time, showing continuous improvement, compliance and social benefits to retailers and consumers. The social and environmental performances of product life cycles are rarely black or white, and usually come in a diversity of grey shades, which a product category by product category approach can capture.

Life Cycle Assessment (LCA) is a technique that aims to address the environmental and social aspects of a *product* and the potential impacts (positive and negative) of that product's complete life cycle. LCA helps organizations assess their social and environmental impacts as well as communicate their performance to relevant stakeholders.

Social Hotspots Assessment is a screening technique used in Social LCA (E-LCA also conducts hotspots assessment) that focuses on unit processes or country specific sectors (specific production activities) located in a region that may be considered a risk or an opportunity in relation to a social theme of interest. The social themes of interest include issues that may threaten social well-being and/or contribute to social benefits. Examples of social themes of interest include Human Rights, Work Conditions, Cultural Heritage, Poverty, Disease, Political Conflict, Indigenous Rights, and many others (UNEP-SETAC, 2009).

Part 3 includes in-depth discussion of how these themes relate to product life cycles, but as one example of the utility of Social LCA and Social Hotspots Assessment, consider the risk of child labor in cosmetics lines. Human rights issues may be present in any phase of a product life cycle. It used to be that CSR assessments treated important human rights impacts generated during production as out of scope. For example, powder from muscovite Mica, a mineral, is widely used by the cosmetics industry because it provides a shimmering appearance when ground into a very fine powder. It is a common ingredient in eye shadow, blush, lip colors, bronzing powders and mineral based foundations. 60% of the world production of Mica takes place in India. In July 2009, the UK Sunday Times uncovered the problem of child labor and low earnings in India's Mica mines in hopes that consumer pressure on the cosmetics industry would help improve life for the families involved in Mica mining and create a better future for the child laborers. Cosmetics companies had not considered the likelihood of such human rights abuses as part of their CSR reporting process. This may be because Mica is an important but often small ingredient on a cosmetics product ingredient list. When assessing the social impacts of Estée Lauder as a company, an issue such as Mica production and use is generally not part of the scope (Estée Lauder, 2009). However, a Social Hotspots Assessment would have targeted Mica production as an important hotspot when assessing the social life cycle impacts of, for example, Estée Lauder's Aveda bronzing powder.

Ethical consumerism, the fair trade movement and socially responsible purchasing have contributed to enlarge the scope of CSR. With carbon footprinting efforts, relationships with suppliers now go far beyond quality and cost requirement. Such efforts have opened up a communication channel in product supply chains that is necessary to establish a dialogue with suppliers on social impacts and work on improving conditions.

LCA and Social Hotspots Assessment provide added value to the assessment of Social Responsibility, in general, because together they provide a comprehensive and targeted analysis of a product's social footprint.

PART 2. REFERENCES AND INSTRUMENTS RELEVANT TO SOCIAL SUSTAINABILITY ASSESSMENT

Several guides to important references and instruments have been written. Important initiatives, tools and instruments are often also considered in general social responsibility literature (Epstein, 2008; Hopkins, 2007) or can be part of more sector focused guides (Dickson, Loker, Eckman, 2009). Initiatives themselves produce guides, sometimes comparing themselves to other standards and tools (e.g. OECD, 2009; UNEP-SETAC, 2009). One such well-researched document was produced by the “Organisation Internationale de la Francophonie” (IEPF, 2007). It presents an inventory of tools, legislations, conventions, references, codes of conducts, labels and financial indices and methods, in the same spirit of the portrait provided in this section. Other guides, such as the Ethical Corporation Guide to Industry Initiatives in CSR, provide information and case studies on industrial and multi-stakeholder initiatives, but concerning a specific sector or commodity (e.g. Better Sugarcane Initiative, International Council of Toy Industries’ CARE Process). These types of initiatives are not covered in this document but will be covered in prototype social SMRS reports when relevant to the product category.

Six main types of references and instruments have been identified as relevant to social sustainability assessment: International Policy Frameworks, Codes of Conduct and Principles, Sustainability Reporting Frameworks, SR Implementation Guidelines, Auditing and Monitoring Frameworks and Financial Indices.

Annex A presents a table describing the main Social Responsibility instruments and references. This section describes the different type of references and presents the role they may play in relation to social sustainability assessment.

International Policy Frameworks

The International Policy Framework (e.g. Conventions) are human rights, worker rights and environmental sustainability operational instruments. The Convention system is based on state supremacy and territorial legitimacy. States are invited to ratify Conventions and once they do, they are held accountable to promote and realize progress. They are held accountable in a variety of ways but the system relies mostly on political will and good intent. There is sometimes a lack of consistency amongst States’ obligations. One example involves trade agreements that place different constraints, obligations and responsibilities on the States, thus sometimes slowing advancement in respect to Conventions. The prominent societal and economic role businesses have come to play in the last 25 years is further altering the context. The States have the responsibility to protect their citizens but do not necessarily have the means to follow through. Because of globalization, States are also often placed into a situation of competition with other States for economic opportunity. This entails an unbalanced situation regarding power and obligation. The UN Business and Human Rights framework aims to address more specifically the gaps of the actual system in advancing all human rights in the current economic environment. Conventions represent the pillar of

Social Responsibility because they describe the minimum baseline for humans to thrive. The UN system represents a planetary system to which no country has formally opposed (of the 195 countries, 192 are members of the UN, Taiwan, Kosovo and the Vatican are the non-member countries), therefore it is extremely precious in maintaining a common understanding of values and goals between nations and presenting a roadmap towards the realization of human well-being worldwide. In addition, the definition of subjects of interest and indicators in Social LCA must be in line with international Conventions. UN databases on the advancement of human and worker rights are good sources of generic data for Social LCA.

Regarding the UN Protect, Respect and Remedy framework, John Ruggie, special representative on the issue of human rights and transnational corporations and other business enterprises, noted in his 2009 report that, although companies often claim they respect human rights, few have systems in place enabling them to demonstrate the claim with any degree of confidence (Ruggie, 2009). An outline of a thorough due diligence is presented in his 2008 report and includes: 1) having a human rights policy, 2) assessing human rights impacts of company activities, 3) integrating those values and findings into corporate cultures and management systems, and 4) tracking as well as reporting performance (Ruggie, 2010). Social LCA can certainly support the assessment of human rights impacts and the tracking and reporting of performance, especially when embedded in IT tools. Reporting on human rights from companies in settings other than S-LCA can also be used within S-LCA studies. The Special Representative will present further reports detailing how to operationalize the UN framework. Existing reports have outlined that businesses have responsibilities (to respect and remedy) towards all Human Rights detailed by Human Rights instruments to different extents (Ruggie, 2010). Therefore, Ruggie has so far distanced himself from the approach of identifying the Human Rights that needs to be addressed by corporations.

Codes of Conduct and Principles

The Social Responsibility Principles listed in Annex A are values and norms to which organizations are deemed accountable if they publicly pledge to respect and promote human rights. Most Social Responsibility Principles are based on Conventions, Human Right Declarations and subsequent covenants, with sometimes the addition of governance and environmental principles. Principles are most often aligned with Conventions. They sometimes go beyond Conventions, or they may reference only a limited subset of rights about which the coalition, organization or initiative presenting the Principles are most interested. Principles may be interesting in defining subjects of interest and indicators for Social LCA. However, Conventions' scope and text on specific subjects should prevail over Principles as they are often more comprehensive, detailed and formally accepted worldwide. Annex A presents a limited number of Principles references because a large number exist and the table is focused on those most applicable to Social SMRS design. Other relevant Principles references may include: The Global Sullivan Principles, The Caux Round Table Principles for Business, The Equator Principles, Amnesty International Human Rights Principles for Companies and Transparency International Business Principles for Countering Bribery.

Corporate Codes of Conduct refer to companies' policy statements that define ethical standards for their conduct or that of their suppliers. There is a great variance in the ways these statements are drafted. Corporate codes of conduct are completely voluntary. They can take a number of formats and address any issue - workplace issues and workers' rights being just one possible category. Also, their implementation depends totally on the company concerned (ILO, 1997). Codes of Conduct or Reference Codes are generally the basis on which ethical audits are conducted.

Sustainability Reporting Frameworks

Sustainability Reporting Frameworks define the principles of social responsibility and related management conditions. The frameworks are constituted of monitoring measures and evaluations, which are implemented through the use of indicators developed through a stakeholder process. Sustainability Reporting relates to Social LCA in two important ways. First, the indicators developed in the setting of reporting projects can, to some extent, be monitored in the context of Social LCA. However, as outlined above, the scope of the responsibility and monitoring frameworks, such as GRI, has been mostly the corporation (brand or end producer) and not the full supply chains, let alone the full life cycle. This is evident in the phrasing of the metrics. The results of GRI assessment/reporting can also be compiled, as far as possible, in the supply chains and for a product supply chain. The percentage of organizations reporting using GRI remains relatively low, even though it has risen markedly over the last year. GRI is aware of over 1,000 organizations globally currently using the Guidelines in developing their sustainability reporting. Europe is home to 49% of the reporters known to GRI, followed by Asia (15%), North America (14%), Latin America (12%), Oceania (6%) and Africa (4%) (GRI, 2009). Today, the trend is to promote integrated reporting. Integrated reporting refers to a holistic and integrated representation of the company's performance in terms of both its finance and its sustainability.

Social Responsibility Implementation Guidelines

SR Implementation Guidelines present orientations and guidance on general or specific processes that may or may not be detailed by a standard. Guidelines may identify and specify requirements or objectives that can be met and provide orientations. They may be constituted of statements that provide guidance to apply the norm or the proposed management system. Guidelines may present recommendations or descriptions. They may focus on detailing how to conduct a type of assessment or implement good practices and may apply to Social Life Cycle Assessment. The principles and good practices presented in guidelines may support identification of important social issues. Implementation of Guidelines best practices may improve organizations Social Responsibility performances. It is now common for corporations and international organizations to provide guidance and training on management systems in an effort to improve social performances and enable better monitoring of labour issues. (Examples of SR Guidelines: ISO 26 000, OECD Guidelines for Multinational Enterprises; Example of Management System Guidelines: SAI and IFC Social Footprint, 2010)

Auditing & Monitoring Frameworks

The auditing and monitoring framework provides tools to monitor compliance to Codes of Conduct and Reference Codes. Even though the first references to social auditing were made in the 1940s by Theodore Kreps (Carroll and Beiler, 1975), it wasn't until the 1960s and 70s that companies started to audit for social and ethical compliance. Around the same time, the concept of "stakeholders" emerged and organizations like the US Chamber of Commerce began to link improvements in corporate social performance and long-term profitability. While most of the early theorizing about Social Auditing came from the US, most of the practical experimentation took place in Europe. Labour rights scandals in the apparel industry in the mid-1980s motivated further use of social compliance auditing. Today social compliance auditing is very common although it still mostly focuses on the first tiers of suppliers. Audit duplications and fatigue, lack of improvement in social performance and a greater need for standardization are challenges at the core of the development of the recent auditing and monitoring frameworks (Barrientos, 2006; Locke, 2006).

Until the 2000s companies tended to have their own codes of conduct and monitoring methodologies, but now several overarching frameworks exist and greater consistency has been achieved among and across industrial sectors. Social auditing is essential to gather site specific Social LCA data. Aggregated data collected from social audits can also be used in social hotspots assessment.

Financial Indices

Financial indices collect data from public firms in order to assess their level of performance on sustainability. This in turn determines their inclusion in sustainability indices. Financial indices base the inclusion of firms to sustainability indices on corporate sustainability results with limited inclusion of supply chains sustainability results. Some indices include a selection of questions regarding the supply chain but it has a very limited scope. The information collected is useful for S-LCA and the reverse hold true too. Sustainability indices could determine inclusion at least partly from a corporation-wide range of products' sustainability LCA results. Some product sustainability indices such as the "Good Guide" make use of the information collected in the context of socially responsible investing (www.goodguide.com).

Social Assessment Methods

In addition to the references, instruments and tools there exists a set of methodologies that are useful to consider when planning social sustainability assessment. These include Social Impact Assessment, Human Rights Impact Assessment and Value Chain Analysis, outlined below.

Social Impact Assessment

Social Impact Assessment (SIA) was developed in the 1970s as a complement to Environmental Impact Assessment. Guidelines for SIA have been developed, for example, by the World Bank (2003), the International Association for Impact Assessment (2003) and the U.S. Dept. of Commerce (1994). Burdge (2004) defines SIA as the systematic appraisal of “impacts on the day-to-day quality of life of persons and communities whose environment is affected by a proposed policy, plan, programme or project” and explains that a good SIA provides “qualitative and quantitative indicators of social impact that can be understood by decision-makers and citizens alike”. As in SIA, if S-LCA indicators are developed only in a top down manner they may not represent the views and priorities of the impacted people or their communities. Therefore, it is important to involve and engage stakeholders as much as possible in the study process. The social (and socio-economic) impacts to be covered in an assessment and the way this should be done should be case and context specific. Therefore, there is in general no consensus on which indicators to use and how to assess social impacts of planned interventions with SIA. SIA are often mandatory in the case of large development projects. Even though there are many similarities between S-LCA and SIA, significant differences continue to exist regarding the object and scope of study.

Human Rights Impact Assessment

Human Rights Impact Assessment (HRIA) is similar to SIA, but it focuses specifically on the human rights of corporate stakeholders. HRIA is framed by international human rights law, including the Universal Declaration of Human Rights, the Covenants on Civil and Political Rights, and the Covenants on Economic, Social and Cultural Rights. This assessment looks at the potential impact of corporate activities on human rights. The assessment can take place before or after corporate action, and serves as a management tool to address compliance with international human rights standards and norms. Like SIA, HRIA hinges on stakeholder involvement. This helps educate corporations about unique stakeholder perspectives and helps companies discover opportunities for mutual gain.

Value Chain Analysis

A value-added chain is “the process by which technology is combined with material and labor inputs, and then processed inputs are assembled, marketed, and distributed. A single firm may consist of only one link in this process, or it may be extensively vertically integrated (Kogut, 1985). The value chain concept is useful when it is common for activities to be carried out in different parts of the world, some activities add more value and are more lucrative than others, or when some actors in the chain have power over the others (Schmitz, 2005). Value chain analysis is used in tracing product flows, showing the value-adding stages, and in identifying key actors and their relationships with other actors in the chain. It is actor-oriented and helps organizations understand market relationships, governance and the competence of the different value-added nodes and

actors. Often, however, these actors operate within certain rules that are set by others. Trade rules and standards are obvious examples. Value chain analysis needs to be complemented with information on these rules. Porter (1985) has proposed that the activities of a business can be grouped under two headings: primary activities, those that are directly involved with the physical creation and delivery of the product or service; and support activities, which feed both into primary activities and into each other. Support activities (e.g., human resource management, technology development) are not directly involved in production, but have the potential to increase effectiveness and efficiency. Value chain analysis can be used to evaluate internal processes and identify who could best provide which activities. Value chain analysis is often complementary to S-LCA, providing additional insights on actor relationships, chains governance and key competences. It is particularly useful to use when looking at developing new markets for products or new production activities in locations. Social LCA provides a more comprehensive portrait of the product life cycles, including several value chains in its analysis. It also provides different types of information regarding social impacts of production.

PART 3 – THE ROAD TO USER-FRIENDLY SOCIAL LCA

The Benefits of Social LCA

As discussed in Part 1, the aim of Social LCA is to assess the positive and negative social impacts of production along complete product supply chains. This comprehensive focus of LCA makes it unique within the social assessment toolbox. In general, methods for Social LCA follow an adapted Environmental LCA Framework (ISO 14040/44, 2006).

Adaptations include:

- use of a set of impact subcategories classified both by stakeholder and impact categories
- increased importance of the use of activity variables
- increased importance of stakeholder participation
- increased importance of geographical location information for inventory and impact assessment
- integration of management practices assessment
- more prominent use of qualitative and semi-quantitative indicators and methods, which can be more meaningful than quantitative indicators
- the inclusion of positive impacts,
- the use of different characterization models, and
- at times, the inclusion of subjective data, which can be the most relevant data to use.

As with Environmental LCA, Social LCA can be used in product design, product comparisons, marketing and reporting, procurement considerations and supplier evaluations.

Social LCA methods have advanced to the point where Social LCA is left with many of the same issues as Environmental LCA. These include:

- 1) The challenges of tracking down site-specific data
- 2) The challenges of integrating location sensitive information
- 3) The challenges of integrating information collected at different scale (from general sectors to specific unit processes)
- 4) Developing characterization methods

The Advancement of Social LCA Methods in Relation to Environmental LCA

The integration of social issues into LCA began in the 1990s. Since that time, standalone Social LCA methodology has advanced to the point where it is left with many of the same unresolved issues as Environmental LCA (Swarr, 2009; Benoit, 2010). Key methodological issues are discussed in more detail below, and the current state of Social

LCA methodology is described extensively in the UNEP/SETAC Guidelines for Social Life Cycle Assessment of Products (UNEP-SETAC, 2009).

Key Issues of Social LCA

Issue # 1: Standardizing a Framework for Social Impacts

Examples of social indicators in quantitative, qualitative and semi-quantitative form are provided in the UNEP/SETAC Methodological Sheets for Social LCA (2010). The Methodological Sheets provide practical guidance on compiling a Social LCA inventory. The sheets are organized according to key stakeholder groups (Workers, Local Communities, Consumers, Society and Value Chain Actors). Among these groups, 31 subcategories of assessment have been defined, and a separate methodological sheet exists for each subcategory. This framework for reporting social impacts, presented in Table 1 is proposed by the UNEP-SETAC Life Cycle Initiative.

Table 1. The UNEP/SETAC Framework for Social Impact Categories

Stakeholder Group	Impact Category (also referred to as Subcategory)
Workers	Freedom of Association and Collective Bargaining Child Labour Fair Salary Working Hours Forced Labour Equal Opportunities/Discrimination Health and Safety Social Benefits/Social Security
Consumers	Health and Safety Feedback Mechanism Consumer Privacy Transparency End of Life Responsibility
Local Community	Access to Material Resources Access to Immaterial Resources Delocalization and Migration Cultural Heritage Safe and Healthy Living Conditions Respect of Indigenous Rights Community Engagement Local Employment Secure Living Conditions
Society	Public Commitments to Sustainability Issues Contribution to Economic Development Prevention and Mitigation of Armed Conflicts Technology Development Corruption

Value Chain Actors	Fair Competition Promoting Social Responsibility Supplier Relationships Respect of Intellectual Property Rights
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Several other frameworks for categorizing social impacts have been developed (Dreyer, 2006; Labuschagne, 2006; Weidema, 2006a, 2006b; UNDSO, 2007; Ceres, 2010; World Bank, 1997). Two other important frameworks, that of the G3 Guidelines and ISO 26000, are presented below. These frameworks can be described as some combination of bottom-up and top-down approaches. Bottom-up approaches rely on the needs of particular enterprises and their key stakeholders. Enterprises operating in different sectors, for example, face different key issues and may desire a tailored framework for social impacts. Bottom-up approaches emphasize these contextual needs.

Top-down approaches use key international agreements as a starting point for defining social impact categories. In this case, impact categories are defined based on the expectations of agreements such as the Universal Declaration of Human Rights, International Labour Organization Conventions, or the Millennium Development Goals. The top-down approach has been used to define minimum expectations or “obligatory” impact categories for all types of enterprises (Dreyer, 2006).

While these various frameworks have been presented, and at times tested through case studies, there is not a unique agreed upon framework for the assessment of social impacts. However most of the existing frameworks tend to use very similar categories, especially regarding issues of social compliance. Through the TSC social SMRS process and the survey discussed below, greater tailoring of a social impact grid to each sector group of the TSC will be achieved.

Other social indicator categorization systems

Two other categorization systems are presented in this section. They have many similarities with the UNEP-SETAC framework but have been designed for corporate level social sustainability assessment and implementation.

The Global Reporting Initiative’s G3 Guidelines

The Global Reporting Initiative’s Sustainability Reporting Guidelines (the “G3 Guidelines”) outline a voluntary framework for annual sustainability reporting that is applicable to all types of organizations (www.globalreporting.org). The G3 Guidelines offer a consistent basis for reporting on general organizational strategy, management techniques and performance indicators. This framework has been developed through international stakeholder consultation with participants from a wide range of stakeholder groups.

The performance indicators of the G3 Guidelines are grouped into social, economic and environmental categories. The social performance indicators are divided into four main groups: Labor Practices and Decent Work, Human Rights, Society and Product Responsibility. These groups contain several sub-elements, as described in Table 3. While the UNEP-SETAC framework covers many of the same subcategories, the classification framework of the Methodological Sheets is stakeholder-based. This makes it possible for S-LCA to highlight the performance of different stakeholder groups.

Table 2. G3 Guidelines’ Framework for Social Performance Indicators

Labor Practices and Decent Work	Employment Labor/Management Relations Occupational Health and Safety Training and Education Diversity and Equal Opportunity
Human Rights	Investment and Procurement Practices Non-discrimination Freedom of Association and Collective Bargaining Child Labor Forced and Compulsory Labor Security Practices Indigenous Rights
Society	Community Corruption Public Policy Anti-competitive Behavior Compliance
Product Responsibility	Customer Health and Safety Product and Service Labeling Marketing Communications Customer Privacy Compliance

The individual performance indicators of the G3 Guidelines are particularly useful to S-LCA because they request specific quantitative data and management-related qualitative information for a wide range of issues. G3 performance indicators provide the basis for a number of inventory indicators suggested in the Methodological Sheets. Since the G3 Guidelines are directed towards organizations, they are most applicable to enterprise-specific S-LCA, as opposed to generic (hotspot) assessment. In addition, sustainability reports that adhere to the G3 Guidelines provide an important source of public, enterprise-specific information, and G3 reports are often recommended as specific data sources in indicator tables of the Methodological Sheets. In summary, the Methodological Sheets offer a stakeholder-based LCA framework for many of the G3 Guidelines’ performance indicators. The Methodological Sheets consider additional social indicators from a wide range of generic and site-specific data sources. Supply

chain assessment used to be a very quiet part of GRI reporting, which was centered on brand owner/ end producer but there is ongoing work of the initiative to render more explicit supply chains reporting in its framework.

ISO 26 000 (Social Responsibility)

The International Organization for Standardization (ISO) has developed voluntary guidelines on social responsibility for use by all types of organizations (www.iso.org). This standard (ISO 26 000) has been developed through an international consensus of many stakeholder groups.

ISO 26 000 includes valuable discussion on the general characteristics of social responsibility (e.g. transparency, respect for human rights, respect for stakeholder interests). ISO 26 000 also discusses the background of social responsibility, including mention of related international instruments.

Another important aspect that both resources contain is discussion of management practices that foster or deter sustainable development. ISO 26 000 includes the section “Guidance on integrating social responsibility throughout an organization,” from which inventory indicators related to management practices can be constructed. Similarly, the ISO 26 000 section “Guidance on social responsibility core subjects” provides an important basis for indicator construction. ISO 26 000 core subjects are Organizational Governance, Human Rights, Labour Practices, The Environment, Fair Operating Practices, Consumer Issues and Community Involvement and Development. Organizational Governance is an over-arching subject that allows organizations to successfully manage other core subjects. Other core subjects are broken into separate issues following the framework outlined in Table 3.

Table 3. ISO 26 000’s Framework for Social Responsibility Core Subjects and Issues

Organizational Governance	
Human Rights	Due Diligence Human Rights Risk Situations Avoidance of Complicity Resolving Grievances Discrimination and Vulnerable Groups Civil and Political Rights Economic, Social and Cultural Rights Fundamental Principles and Rights at Work

Labour Practices	Employment and Employment Relationships Conditions of Work and Social Protection Social Dialogue Health and Safety at Work Human Development and Training in the Workplace
The Environment	Prevention of Pollution Sustainable Resource Use Climate Change Mitigation and Adaptation Protection of the Environment and Restoration of Natural Habitats
Fair Operating Practices	Anti-corruption Responsible Political Involvement Fair Competition Promoting Social Responsibility in the Sphere of Influence Respect for Property Rights
Consumer Issues	Fair Marketing, Factual and Unbiased Information and Fair Contractual Practices Protecting Consumers' Health and Safety Sustainable Consumption Consumer Service, Support, and Complaint and Dispute Resolution Consumer Data Protection and Privacy Access to Essential Services Education and Awareness
Community Involvement and Development	Community Involvement Education and Culture Employment Creation and Skills Development Technology Development and Access Wealth and Income Creation Health Social Investment

ISO 26 000 provides “Related actions and expectations” for each separate issue that pertain to organizational management. This section is yet another valuable resource when developing S-LCA indicators. ISO 26000 therefore contains a wide range of background information on social responsibility that is useful for constructing enterprise-specific inventory indicators. The UNEP-SETAC Framework places this information into a stakeholder-based inventory assessment framework.

Issue #2: Determining Methods for the Characterization of Social Impacts...that is, Aggregating Results

Several options have been presented to characterize or aggregate Social LCA results. Characterization models allow for the description of subcategory results in aggregate. These results may then be used to draw conclusions or interpret results of the overall assessment.

Characterizations methods often hinge on the extent to which qualitative or semi-quantitative indicators have been used to describe social impacts. The use of qualitative indicators is not uncommon in Social LCA, which is important distinction between Social and Environmental LCA, where the use of qualitative indicators is generally limited. With social issues, qualitative assessments of management practices are often more meaningful than quantitative indicators. For example, a qualitative rating of management policies on worker safety can be more meaningful than data on the number of accidents (Jorgensen, 2008).

When the design of a Social LCA mimics conventional, Environmental LCA, the assessment takes a strictly quantitative approach. In this case, characterization is most challenging because it relies on the modeling of social pathways to describe – quantitatively -- cause and effect relationships from the point of production to social outcomes. While these types of characterization methods have been proposed, and some case studies have been conducted, the models contain a high degree of uncertainty (Weidema, 2006a, 2006b; Dreyer, 2006; Labuschagne, 2006; Schmidt, 2004).

Another Social LCA method, known as Life Cycle Attribute Assessment (LCAA), has been proposed as an alternative to social cause and effect modeling. LCAA selects attributes of interest (e.g. whether or not suppliers have obtained a particular fair trade certification, has positive audit results, etc.) and expresses results in terms of the percentage of the supply chain that has this attribute. This allows for a less complex quantitative assessment of social impacts that is tailored to the interests of the enterprise conducting the assessment (Norris, 2006). Case studies have been completed using the LCAA methodology (Andrews, 2009).

An additional option is to present results in a simplified scorecard or sustainability matrix. In this case, for example, management practices may be graded using a semi-quantitative rating scale from Poor to Very Good. Scores within each subcategory of assessment can then be aggregated. Enterprises also have the option to weight the importance of certain indicators when aggregating these scores, according to issues most relevant to the enterprise and its stakeholders. Such a matrix can be used in conjunction with LCAA to provide information on the depth of the supply chains for which the results are appropriate.

The TSC member survey will gather input on sustainability assessment resources and needs for each TSC member company.

Issue # 3: Data Availability

In Environmental LCA regional averages are often used to compile environmental inventories. When measuring environmental impacts that are local *by definition*, such as soil erosion, this reduces the validity of the assessment. In Social LCA, the geographic resolution of data presents a more significant challenge. This is because social impacts are highly site-specific, and there are clear challenges to obtaining site-specific social data for a complete supply chain. It is for this reason that Social Hotspots Assessment is

useful to Social LCA. Also called Generic Analysis, Social Hotspots Assessment is a screening device that allows users to narrow in on the locations and sectors with an increased risk for social violations. It is important to note that these are also the locations and sectors with an increased *opportunity* for positive social action. .

The Social Hotspots Database (SHD) is being compiled as a tool for Generic Analysis. It is the first comprehensive data source for Social LCA. The SHD contains volumes of social data that are grouped into 16 subcategories of assessment for 113 countries and 57 economic sectors. Work is ongoing to increase the scope of data and new social themes are being added every few months. Not all subcategories of assessment have data for every country, nor for every sector, but the SHD is a meta-analysis of the best international data available. As research on social impacts continues to advance, international data gathering efforts will increase, thus improving the scope and validity of the SHD.

Currently, the SHD allows users to screen for social risk/opportunities, and then focus data gathering efforts on their facilities in the country-specific sectors identified as most at risk. In addition, users can initiate social development projects in these same countries and thus focus philanthropy in areas with the most need.

Databases also exist as clearinghouses for private ethical sourcing data. These databases, such as SEDEX and the Fair Factories Clearinghouse, originated to prevent duplicative supplier audits. These databases contain a wealth of site-specific social data and may eventually be integrated into an LCA framework. Initial efforts are underway to integrate anonymous private ethical sourcing data into the SHD with the end goal of increasing the geographic resolution of social data.

Once TSC members have identified areas of social impact that are most relevant to their operations, a follow-up member survey will address data availability.

PART 4 – CREATING A SOCIAL SMRS

1. Hotspots Identification
2. Review of certifications, standards and initiatives
3. Validation of Hotspots and important certifications, standards and initiatives
4. Formal identification of drivers for hotspots
5. Proposition of a reporting framework enabling companies to report on drivers

The creation process for a social SMRS has 5 main steps. The first step, hotspots identification, will be conducted using the SHD and additional resources. The SHD has been designed to work alongside a global input-output (IO) model derived from GTAP. GTAP offers an economic general equilibrium model. The IO model developed from GTAP describes international trade patterns by quantifying the extent to which different country specific sectors purchase goods from each other. The GTAP model includes 57 economic sectors and 113 countries. The SHD follow the same structure, although it includes a greater number of countries. The integration of these two tools allows for the identification of country-specific sectors that present the greatest social risks/opportunities within a given product supply chain.

In order to get further precision in the hotspots assessment for product categories further research will be conducted. The research will validate trade flows for product category sold in the US and central Europe and further hone in on potential issues and opportunities in the likely supply chains of the product category. This supply chain will be in line with the environmental LCA product system (when this information is available).

The second part of the report will present a review of certifications, standards and initiatives that are relevant to the product category, its components or raw materials and the countries in which production activities mostly occurs.

The third, fourth and fifth steps are conducted with the Measurement and Sciences group and each of the sector groups.

The hotspots will be validated using the survey results and feedback from the sector groups. Missing hotspots may be added with appropriate documentation and hotspots deemed not relevant will be edited. The Measurement and Sciences group and the sector groups will also provide feedback on important standards, certifications and initiatives and whether they should be part of or considered in SMRSs, on a case by case basis.

Then, based on the hotspot assessment, the sector discussions and Measurement and Sciences group guidance, drivers may be identified for each or some of the hotspots. This step may include additional research, the development of a proposal and back-in-forth interaction with the sectors.

Finally a reporting framework will be proposed, edited and accepted for reporting on drivers.

In the meantime, based on the survey results, the Measurement and Sciences group may propose to companies to start reporting on a limited set of indicators.

TSC Member Survey

An on-line survey will be conducted among TSC member companies to contribute to the Social SMRS development process.

There are two major goals of this survey:

- 1) Evaluate the needs of TSC member companies related to social sustainability assessment and management both within company operations and across product supply chains, and
- 2) Understand how TSC member companies view the relevancy of current frameworks for social impact categories.

More specific objectives include:

- 1) Assess member companies' current practices and level of knowledge related to supply chain activities (i.e. strategies, tools, etc.)
- 2) Assess and identify companies' unmet needs (including commonalities between companies) in relation to social impacts assessment, monitoring and reporting
- 3) Identify the most relevant social impact categories for each sector, as well as perceptions of their associated risks and opportunities, for use in the Social SMRS

In particular, the survey should help TSC member companies identify important social impact categories and subcategories, either about which TSC companies already report or for which future reporting would be most relevant.

The survey will cover practices and unmet needs at the corporate level of social assessment and at the supply chain level (including at the different tiers) of social assessment.

The survey could be followed by a second phase survey that focuses on data availabilities.

Annex A: References on Social Responsibility

Type of Initiative, Reference, Instrument	Name	Information Pertinent to:
International Policy Frameworks	The UN “Protect, Respect, Remedy” Framework	Corporations, Facilities, Governments
	<p>Responding to the invitation of the Secretary-General of the UN Human Rights Council, the Special Representative on the issue of human rights and transnational corporations and other business enterprises, John Ruggie, presents a conceptual and policy framework to anchor the business and human rights debate, and to help guide all relevant actors. The framework comprises three core principles: the State duty to protect against human rights abuses by third parties, including business; the corporate responsibility to respect human rights; and the need for more effective access to remedies. The three principles form a complementary whole in that each supports the others in achieving sustainable progress. Reports may be accessed at:</p> <p>http://www.business-humanrights.org/SpecialRepPortal/Home</p>	
	International Labour Organization (ILO) Conventions, including Eight Fundamental ILO Conventions	Corporations, Facilities, Governments
	<p>The ILO has produced a broad range of international labor standards. Eight of these have been identified by the ILO’s Governing Body as fundamental to the rights of people at work. These rights are irrespective of the levels of development of individual member states.</p> <p>http://www.ilo.org/ilolex/english/convdisp1.htm</p>	
	Universal Declaration of Human Rights	Governments, Corporations, Facilities,
<p>This declaration was adopted by the UN General Assembly in 1948 to describe rights inherent to all human beings. These include spiritual, public and political freedoms, as well as social, economic and cultural rights.</p> <p>http://www.un.org/en/documents/udhr/</p>		

	Millennium Development Goals	Governments, Corporations, Facilities,
	<p>The eight Millennium Development Goals -- End Poverty and Hunger, Universal Education, Gender Equality, Child Health, Maternal Health, Combat HIV/AIDS, Environmental Sustainability and Global Partnership – form a blueprint for sustainable development agreed upon by all the world’s countries and all the world’s leading development institutions.</p> <p>http://www.un.org/millenniumgoals/bkgd.shtml</p>	
	UN International Human Rights Treaties and Instruments	Governments, Corporations, Facilities,
	<p>A series of international human rights treaties and other instruments adopted since 1945 have conferred legal form on inherent human rights and developed the body of international human rights. Other instruments have been adopted at the regional level reflecting the particular human rights concerns of the region and providing for specific mechanisms of protection. Most States have also adopted constitutions and other laws which formally protect basic human rights. While international treaties and customary law form the backbone of international human rights law other instruments, such as declarations, guidelines and principles adopted at the international level contribute to its understanding, implementation and development. Respect for human rights requires the establishment of the rule of law at the national and international levels.</p> <p>http://www2.ohchr.org/english/bodies/treaty/index.htm</p>	
Type of Initiative	Name	Information Pertinent to:
Principles and Codes of Conduct	Global Compact	Corporations, Facilities, Government
	<p>Created in 1999, at the Davos (Switzerland) Economic Forum and launched in New York in 2000, the UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary agent driving globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.</p>	

	<p>The Global Compact today stands as the largest corporate citizenship and sustainability initiative in the world -- with over 4700 corporate participants and stakeholders from over 130 countries www.unglobalcompact.org</p>		
	<p>Codes of Conduct</p>	<p>Corporations, Facilities Governments</p>	
	<p>Organizations may develop or adopt a code of conduct. The code of conduct outlines the principles that guide the organization’s actions. It may apply to an organization’s suppliers and respect of the code can be included as a requirement in contract. In the last decade, industry associations have often developed (with their members) industry codes of conduct to be used by their members. Respect of the substance of the code of conduct is what is being monitored by audits.</p> <p>Even though codes of conduct often include respect of labour rights, health and safety requirements and positive business practices, there can be great disparities in the content of each code.</p> <p>Examples of codes of conduct:</p> <p>EICC: www.eicc.info/ WalMart: http://walmartstores.com/AboutUs/279.aspx IKEA: http://www.ikea.com/ms/en_US/about_ikea/our_responsibility/iway/index.html Outdoor industry association: http://www.outdoorindustry.org/research.php?action=detail&research_id=47</p>		
<p>Type of Initiative</p>	<p>Name</p>	<p>Information Collected at Level of:</p>	<p>Stakeholder Groups about which Information Collected:</p>
<p>Sustainability Reporting Frameworks</p>	<p>Global Reporting Initiative</p>	<p>Corporations; sometimes Facilities</p>	<p>Workers, Local Community, Society, sometimes Value Chain Actors</p>
	<p>The Global Reporting Initiative’s Sustainability Reporting Guidelines outline a voluntary framework for annual sustainability reporting that is applicable to all types of organizations. The “G3 Guidelines” offer a consistent basis for organizational reporting on strategy, management techniques and performance indicators. www.globalreporting.org</p>		

	UNCTAD Corporate Responsibility Indicators	Corporations; sometimes Facilities	Workers, Local Community, Society
	<p>The UN Conference on Trade and Development Corporate Responsibility Indicators are a practical, voluntary tool to assist enterprises in their communication with investors and other stakeholders on social responsibility issues.</p> <p>http://www.unctad.org/Templates/Page.asp?intItemID=4490&lang=1</p>		
Type of Initiative	Name	Information Pertinent to:	
SR Implementation Guidelines	ISO 26000	Corporations, Facilities	
	<p>These voluntary guidelines on social responsibility are for use by all types of organizations. They assist in integrating social responsibility throughout an organization and include management strategies and guidance on relevant social impact categories.</p> <p>www.iso.org</p>		
	OECD Guidelines for Multinational Enterprises	Corporations, Facilities Governments	
	<p>The OECD Guidelines are voluntary social responsibility principles and standards focused on the management of multinational corporations. The Guidelines cover issues such as employment, human rights, the environment, and bribery.</p> <p>http://www.oecd.org/departement/0,3355,en_2649_34889_1_1_1_1_1,00.html</p>		
Type of Initiative	Name	Information Collected at Level of:	Stakeholder Groups about which Information Collected:
Auditing and Monitoring Framework	AIM-PROGRESS	Facility	Workers, Value Chain Actors
	<p>AIM-PROGRESS is “a forum of consumer goods companies assembled to enable and promote responsible sourcing practices and sustainable production systems.” The initiative is promoting the use of common evaluation methods for supply chain CSR performance.</p> <p>http://www.aim.be/responsible_sourcing.htm</p>		

	Global Social Compliance Programme	Facility	Workers, Value Chain Actors
	<p>The GSCP is an initiative of the Consumer Goods Forum designed to address the problems of audit fatigue and duplication, audit quality and unmet expectations for improving social impacts. This has led to a wealth of useful tools for auditing supply chains, including supplier self-assessment, pre-audit questionnaires and other management system tools.</p> <p>www.gscpnet.com</p>		
	SAI/IFC PS2	Facility	Workers, Value Chain Actors
	<p>The International Finance Corporation/Social Accountability International Performance Standard 2 is a practical reference guide on labor performance applicable to any industry. It is designed to help senior management design and improve management systems for labor performance.</p> <p>http://www.ifc.org/ifcext/sustainability.nsf/Content/Publications_Handbook_LaborStandardsPerformance</p>		
	SAI SA8000	Facility	Workers, Value Chain Actors
	<p>This is a workplace certification standard by Social Accountability International designed to protect the basic human rights of workers. It includes management system guidelines for facilities that wish to be SA8000-certified.</p> <p>http://www.sa-intl.org/</p>		
	BSCI	Facility	Workers, Value Chain Actors
	<p>The Business Social Compliance Initiative is a broad business-driven platform for the improvement of social compliance in the global supply chain.</p> <p>It offers companies a comprehensive monitoring and qualification system covering all products sourced from any country.</p> <p>http://www.bsci-eu.org/</p>		
Type of Initiative	Name	Information Collected at Level of:	Stakeholder Groups about which Information Collected:

	FTSE4Good Index Series	Corporations and 1 st Tier Suppliers	Workers, Local Community, Society, Value Chain Actors
Financial Indices	The FTSE4Good Index Series measures the financial performance of companies that meet set CSR standards. The index also provides documentation of a “transparent and evolving global corporate responsibility standard.” Inclusion criteria address the following major categories: Environmental, Human Rights, Supply Chain Labor Standards, Countering Bribery, and Climate Change. http://www.ftse.com/Indices/FTSE4Good_Index_Series/index.jsp		
	The Vigeo Group Sustainable Rating Indices	Corporations and 1 st Tier Suppliers	Workers, Local Community, Society, Value Chain Actors
	The Vigeo Group has designed the Advanced Sustainable Performance Index (the ASPI Eurozone Index) to provide information on companies’ performance in the field of sustainable development. Measurement criteria are divided into 6 areas: Human Rights, Human Resources, Environment, Business Behavior, Corporate Governance, and Community Involvement. http://www.vigeo.com/csr-rating-agency/index.php?option=com_content&task=view&id=209&Itemid=209&lang=en		
	Dow Jones Sustainability Indexes	Corporation and 1 st Tier Suppliers	Workers, Local Community, Society, Value Chain Actors
	These indexes track the financial performance of “sustainability-driven companies” world. Inclusion criteria are divided into 3 dimensions: Economic, Environment and Social. Social criteria include Corporate Citizenship/Philanthropy, Labor Practices, Human Capital Development, Social Reporting, Talent Attraction & Retention, and certain Industry-specific criteria. http://www.sustainability-index.com/		
Type of Initiative	Name	Information Collected at Level of:	Stakeholder Groups about which Information Collected:
Methods	UNEP/SETAC Methodological Sheets for S-LCA of Products	Corporation, Facility, Unit Process	Workers, Consumers, Local Community, Society, Value Chain Actors

<p>The Methodological Sheets support practitioners in conducting S-LCA case studies. The Sheets provide descriptions of 31 subcategories of social assessment structured according to the five stakeholder groups mentioned above. Each sheet includes a subcategory definition tailored to S-LCA and information on data assessment, including examples of inventory indicators, units of measurement and data sources</p> <p>http://lcinitiative.unep.fr</p>		
<p>OXFAM Poverty Footprint</p>	<p>Corporation, Facility</p>	<p>Workers, Local Community, Value Chain Actors</p>
<p>Oxfam developed the Poverty Footprint Methodology for companies to assess and understand their effects on society and on people living in poverty. The outputs of a Poverty Footprint assessment can help a business improve its operations and ensure a positive effect on those living in poverty. It can help to generate opportunities for innovative business solutions, for example in supply chain management in the face of risks posed by climate change. The Oxfam Poverty Footprint Methodology combines local assessments of livelihood impacts, value chain analysis, and an assessment of economic contributions into one comprehensive approach.</p> <p>http://www.oxfam.org/en/policy/poverty-footprint</p>		
<p>BASF SEEBALANCE</p>	<p>Corporation, Facility</p>	<p>Workers, Society, Future Generations, Consumers, Local (& National) community.</p>
<p>SEEBALANCE® refers to the SocioEcoEfficiency Analysis developed by BASF. The analysis considers the three dimensions of sustainability: economy, environment and society. SEEBALANCE® aims to quantify performance of all three pillars of sustainability with one integrated tool in order to direct - and measure - sustainable development in companies. For each of the five stakeholder categories measurable indicators are considered (for example, number of employees, occupational accidents occurring during production). Other types of indicators are risks involved in the use of the product by the end consumer. The societal indicators, analogous to the environmental ones, are summarized in the so-called social fingerprint.</p> <p>http://www.basf.com/group/corporate/en/sustainability/eco-efficiency-analysis/seebalance</p>		

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