







Shout it Out: Communicating Products' Social Impacts

A White Paper of the One Planet Network Consumer Information Programme



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About The One Planet Network Consumer Information Programme

This publication is an output of the Consumer Information Programme of the 10 Year Framework of Programmes on Sustainable Consumption and Production (known as the One Planet network). The Programme is a global platform supporting the provision of quality information on goods and services, to engage and assist consumers in sustainable consumption. It implements and supports projects; undertakes research; shares good practice and policies; and provides collaboration opportunities. The Programme is led by the Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (BMU), Germany; the Ministry of Environment and Forestry of Indonesia, and Consumers International; and brings together a network of public, private and third sector actors.

More information, and ways to participate, can be found at http://www.oneplanetnetwork.org/consumer-information-scp/ or contact ciscp@un.org.







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GOAL AND SCOPE

After increasingly assessing and communicating their environmental performances, companies have also started to give more attention to social impact assessment at product level – to gain additional insights, support internal decision making, and respond to enquiries from external stakeholders, including consumers and governments, regarding the sustainability of products. Whereas social impact assessment methodologies are already available and the industry has started to use social impact data, these developments do not yet translate into companies providing product consumer information on social impacts.

To encourage progress in this emerging field and inspire companies to 'shout it out', the Consumer Information Programme has developed this white paper. The paper's primary objective is to identify good practices of product-level social impact communication that can provide inspiration, and be built upon or replicated. It identifies relevant principles, criteria and means to communicate such impacts, including recommendations on integrating social impact communication with more well-established environmental impact communication tools. While the focus lies on business to consumer (B2C) communications, the recommendations given are also valid for business to business (B2B) and business to government communications.

The target audience of this white paper are, primarily, companies and standard-setting/labelling organizations (i.e. those who communicate), but recommendations on how to support progress are also provided for governments, non-governmental organizations and relevant initiatives.

In this paper, social impacts are understood to be the consequences of positive or negative pressures on the well-being of stakeholders in a product's life cycle (from cradle to grave) or one of its phases (production, consumption or disposal) (Benoît and Mazjin ed., 2009). The focus is on impacts at product (goods and services) level, rather than at the level of a company or brand. However, it is important to keep in mind the overlap between product life cycle impacts and companies' wider value chain impacts. The paper is intended to link to the Consumer Information Programme's <u>Guidelines for Providing Product Sustainability Information</u> (UN Environment, International Trade Centre, 2017).

I: WHY COMMUNICATE PRODUCTS' SOCIAL IMPACTS?

Production which provides or enhances positive social impacts is beneficial for governments, businesses and consumers, who all have a role to play in awareness-raising and promoting socially conscious consumption and production. In order for them to fulfil that role, it is important that social impacts are communicated. This section outlines the different roles that business, consumers, governments and non-governmental organizations play.

The business case for promoting socially responsible consumption and production

Aside from adhering to policy, regulation and international frameworks (see section "The enabling role of governments and non-governmental organisations"), research shows that it is in a business' interest to improve products' environmental and social performance, and that this can be used as a competitive advantage (WBCSD, 2011).

The World Business Council for Sustainable Development classifies business approaches to sustainable consumption and production in three categories (WBCSD, 2008):

- Innovation: the process to develop new products maximizing societal value and minimizing environmental and social costs
- **Choice influencing**: the use of communication tools to promote the purchase and the use of sustainably produced products
- **Choice editing**: the progressive withdrawal of "unsustainable products" from the marketplace.

The business case for promoting responsible social impact used to be considered hard to ascertain in monetary values. However, companies have progressively attested that social impact programmes provide intangible benefits to the communities in which business operates, but are also of benefit for a company to create new markets and business opportunities, drive innovation and retain talent.

Addressing social issues in their supply or value chain proactively is also a way for companies to better manage/mitigate risks (see Box A, next page, for an example of a specific tool) and to improve their productivity.

Consumer demand for, and barriers to, socially responsible consumption

From the consumer's perspective, purchasing and using products that do not harm individuals and society is a responsible way to contribute to collective wellbeing. Non-governmental organizations (NGOs) and the media have especially helped to raise consumer awareness of negative social impacts in supply chains (e.g. child labour, unsafe working conditions) and provided platforms for consumers to voice discontent through protests, boycotts and petitions. These actors can also, along with companies, promote positive social impacts.

BOX A

The BMW sustainability risk management process

BMW's sustainability risk management process is an example of a company proactively examining its supply chain and the social impacts within. BMW uses a group-specific sustainability risk filter to assess suppliers' sites located in countries with the highest social sustainability risks. Social sustainability risks include the use of child and forced labour, and the lack of fair wages. Suppliers are required to fill out a self-assessment sustainability questionnaire in which they provide information on their implementation of environmental, social and governance standards. The evaluated sustainability performance is a criterion for selecting the suppliers of almost all of BMW's parts. For those suppliers that have not met the BMW Group Supplier Sustainability

Standards, supplier-specific corrective action plans are then developed, implemented and monitored. External independent auditors verify the effective implementation of the action plan.

In 2016, 5,616 nominated, active and potential suppliers were assessed via the self-assessment questionnaire. This included 89% of new suppliers of materials needed for production with a tendering volume of more than \le 2 million of BMW AG as well as 96% of new suppliers of materials not needed for production with a tendering volume of more than \le 5 million of BMW AG.

https://www.bmwgroup.com/en/responsibility/supply-chain-management.html

In general, consumers report that they care about sustainability and that they are willing to pay for sustainably-produced products (Bemporad R.et al, 2012; Yeomans M. et al, 2015). However, most of the time, consumers' willingness does not translate into action: "availability, affordability, convenience, product performance, scepticism about product claims and force of habit" are cited as barriers to sustainable consumption choices (WBCSD, 2008). Demonstrating a higher level of product performance, alongside sustainability attributes, is thus helpful to encourage consumers to purchase and use more sustainable products.

Another barrier is lack of reliable – which includes sometimes too much, uncoordinated – information. Although certain labels are considered among the most trusted sources of product sustainability information, consumers are often confused about, or misinterpret, their meaning. Additionally, most existing labels focus primarily on environmental impacts and do not include comprehensive criteria for social issues (see section 3). It follows that there is a need to develop and improve effective channels and tools for delivering transparent and accurate product sustainability information, including on social impacts, to enable informed choices.¹

The importance of this is also considered in the Sustainable Development Goals (SDGs). Target 12.8 calls to ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature, by 2030.

¹ To address this, the Consumer Information Programme developed international '<u>Guidelines for Providing Product Sustainability Information</u>', with principles and practical examples for application.

The enabling role of governments and nongovernmental organisations

The transposition of international agreements (and, for example, ILO fundamental Conventions, OECD Guidelines for Multinational Enterprises, etc.) into national regulations - and monitoring business compliance with regulations - is essential in driving business action. Governments can also provide policy frameworks as enabling conditions for socially responsible consumption and production.

In recent decades, dialogue between businesses, governments and civil society has shaped international frameworks, principles and guidelines for responsible and ethical business conduct. Key principles include:

- International Labour Organization (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
- <u>UN Global Compact Principles</u>
- UN Guiding Principles on Business and Human Rights
- UN Guidelines for Consumer Protection

More recently, Agenda 2030 and the Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030 and seek to mobilize global efforts around a common set of 17 goals and 169 targets. Unlike the Millennium Development Goals, the SDGs explicitly call on businesses to contribute to solving sustainable development challenges. Sustainable consumption and production (SCP) is directly recognized by SDG 12, and at least 7 of the 17 SDGs are strongly related to social issues, such as eradicating poverty and hunger, health and well-being, decent work, gender equality and quality education.

The UN Global Compact's "SDG Compass: The guide for business action on the SDGs" encourages companies to start impact assessments with a high-level mapping of their value chain to identify areas with high likelihood of either negative or positive impacts on SDG issues. Many of these are, or relate to, social issues of direct relevance to companies, such as poverty, health, education, climate change and environmental degradation.

The UN Guiding Principles on Business and Human Rights state that business should respect human rights, and: (a) Avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur; (b) Seek to prevent and mitigate adverse human rights impacts that are directly linked to their operations, products or services and that occur through their business relationships, even if they have not contributed to those impacts per se.

Companies can do this through human rights due diligence, which the UN Guiding Principles Reporting Framework defines as: "an ongoing risk management process [...] in order to identify, prevent, mitigate and account for how [a company] addresses its adverse human rights impacts. It includes four key steps: assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed."

BOX B

The UN Guiding Principles also state that governments should promote respect for human rights by business enterprises with which they have a commercial relationship. As an example, this can be enacted through the development and implementation of sustainable public procurement policies (see Box B). Governments can also design and implement awareness raising campaigns and regulate the provision of information through marketing codes and other tools. For instance, the United States General Services Administration provides a Social Sustainability Module on the Sustainable Facilities Tool (SFTool) website² that provides detailed guidance on how social sustainability risks can be identified and addressed in procurement.

The UN Guidelines for Consumer Protection (UNGCP) state in their general principles the aim to decrease inequalities amongst populations both within and between nations. This includes inequalities based on gender, age, race, religion and many others. The UNGCP acts as a set of guidance on how to protect, and consequently empower, consumers globally and this links to how information on social impacts are communicated to consumers, as such communication must not limit the freedom of consumers or create inequalities.

2 https://sftool.gov/plan/545/social-sustainability

The Swedish experience on sustainable public procurement

A 2016 Swedwatch report (Sjöström T., Scott Jakobsson L.) assesses how public procurers can influence labour conditions in global supply chains. The research includes three case studies (surgical instruments from Pakistan, poultry from Thailand, coffee from Brazil) on labour conditions and shows how the Swedish public sector (county councils, municipalities, government agencies) uses social criteria to improve labour conditions in countries with poor labour standards.

A key finding from Swedwatch's research strongly indicates that human rights and labour conditions have improved in places where social criteria have been integrated in the procurement process. In contrast, labour conditions are not likely to be improved for products for which the procurement process does not consider social criteria.

Swedwatch provides practical guidance on how to integrate social criteria in sustainable public procurement, through the following steps: risk assessment, market analysis, formulation of social criteria, monitoring, corrective action plan and sanctions.

The Swedish National Agency for Public Procurement provides free templates for specific product groups (furniture, coffee, fossil fuels, coffee, tea, cocoa...) used by contracting authorities.

http://www.swedwatch.org/en/publication/report/public-authorities-as-agents-for-positive-change/

II: HOW TO MEASURE PRODUCTS' SOCIAL IMPACTS

The availability and quality of data, indicators and methodologies to assess social impacts across the life cycle of products is key to ultimately provide consumers with reliable information to facilitate their decision making. A more thorough assessment on state of the art methodologies and social data sources was conducted by the Consumer Information Programme in 2016, summarized in a mapping report on the assessment and the communication of products' social impacts³. This white paper presents a summary of the results, as its focus is on communication, not assessment. While this white paper does not explain in detail how to conduct a social impact assessment, the below points to additional sources that can be consulted for the measurement of social impacts (including sources for social impact data), and provides examples for initiatives that drive collaboration in this sphere.

Guidance documents for social impact assessment

The Life Cycle Initiative's "Guidelines for Social Life Cycle Assessment of Products" (Benoît and Mazjin ed., 2009) provide operational guidance on how to perform a social life cycle assessment (S-LCA), highlighting similarities and differences with requirements for environmental life cycle assessment (LCA) as described in ISO 14040 and ISO 14044 standards (ISO, 2006). S-LCA Methodological Sheets present further detail on potential indicators and data sources (Benoit-Norris C. et al. 2013).

The S-LCA Guidelines follow the same structure as those for environmental LCA. They present key elements to consider and guidance on defining the goal and scope, and how to perform the life cycle inventory, impact assessment and interpretation of an S-LCA. A list of social impact subcategories⁵ related to five stakeholder categories - workers, consumers, local community, society and value chain actors - is defined following a review of existing social indicators. Human rights, working conditions, health and safety, cultural heritage, governance and socio-economic repercussions (and their related subcategories) are considered as the minimum list of social impact categories to be covered by an S-LCA study.

Further S-LCA approaches have been developed on the basis of (or inspired by) these Guidelines (reviewed in Annex 1), such as the Handbook of Product Social Impact Assessment, developed by a group of companies through the Roundtable for Product Social Metrics (Fontes J. et al, 2016). In line with these S-LCA Guidelines and the UN Guiding Principles on Business and Human Rights, these approaches describe an iterative approach to social impact assessment. Companies should identify "hotspots"^{6,7} in their supply chains and develop a process of continuously refining their information, addressing hotspots and updating social performance results, before communicating impacts.

- 3 Available upon request via ciscp@un.org
- 4 http://www.lifecycleinitiative.org/starting-life-cycle-thinking/life-cycle-approaches/social-lca/
- 5 A social subcategory is a representation/constituent of an impact category e.g. child labour or human rights (Benoît and Mazjin ed., 2009)
- 6 "Social hotspots are unit processes located in a region where a situation occurs that may be considered as a problem, a risk or an opportunity, in function of a social theme of interest" (Benoît and Mazjin ed., 2009).
- 7 See also UN Environment (2017), Hotspots Analysis methodological framework and communication guidance: http://www.lifecycleinitiative.org/new-hotspots-analysis-methodological-framework-and-guidance/

The following key points follow from the review of S-LCA approaches (see also Annex 1):

- Social impacts should be assessed on relevant impact categories
- Social impacts should be assessed on relevant and different stakeholder groups, e.g. different genders, races, ages
- Ideally, social impacts should be assessed for the entire supply chain. However, many approaches (Fontes J.et al, 2016; WBCSD, 2016) accept partial coverage of the product supply chain⁸
- Recognized references⁹ should be used to evaluate performance at the indicator level

Sources for social impact data

The availability of credible and verified data is a key challenge in the assessment and the communication of products' social impacts. Companies have numerous data needs (context and hotspots, on-site impacts, verification), requiring different tools and strategies to meet them.

a. Context and hotspots

Characteristics of four common social data sources for context and hotspots assessment (the Social Hotspots Database (SHDB),¹⁰ the Product Social Impact Life Cycle Assessment (PSILCA),¹¹ Ecovadis,¹² and Maplecroft)¹³ are summarised in the table below (see more details in Annex 2):

	Data type	Data format	Data focus
Social Hotspots Database	based on generic data	S-LCA database license used in major LCA software and standalone platform	country, sector and commodity specific
Product Social Impact Life Cycle Assessment	based on generic data	S-LCA database license used in major LCA software	country and sector specific
Ecovadis	based on specific data, often at company level	available on stand- alone platforms	based on organisation and factory level data
Maplecroft's human rights dataset	based on generic data	available on stand- alone platforms	based on country and sometimes commodity level generic data

⁸ In line with the 'Guidelines for providing product sustainability information', this limitation should then be made clear in the communication to the consumer

⁹ Performance reference points should be based on international standards and guidelines such as the ILO conventions, OECD Guidelines for Multinational Enterprises, IFC Performance Standards on Social and Environmental Sustainability

¹⁰ https://socialhotspot.org/

¹¹ Ciroth A. et al, 2015

^{12 &}lt;a href="http://fr.ecovadis.com/">http://fr.ecovadis.com/

¹³ https://maplecroft.com/human-rights-political-environmental-economic-risk-indices

When performing an S-LCA, these databases could be preliminarily used to identify social risks and hotspots at sector or country level to ensure that the most important social areas are covered. SHDB and PSILCA are particularly interesting for this exercise because they cover all world regions and provide quantitative and qualitative indicators for the most common social themes, including those of the ILO Core Conventions on Working Conditions.¹⁴

b. On-site impacts/ verification

Social audit and monitoring is a practical way to collect site-specific social data and verify the conformity of an organizations' practices with a code of conduct or certification requirements. Social audits can also identify *positive* impacts at the supplier's site, although this is not the norm.

Most sustainability and ethical certification schemes which measure social impacts require third-party verification and regular monitoring of social issues as a prerequisite to certification. The verification of social data and impacts in complex supply chains can be particularly challenging in terms of logistics and methodology/skills, thus there seems to be demand to build capacities of third party verifiers in this area.

Site-specific data collected during social audits can be used directly in S-LCA while aggregated data can be used in social hotspots assessment. There is a growing tendency to shift from company-specific audit and monitoring methodologies to overarching frameworks (Benoit C., Vickery-Niederman G, 2010). Cross-industry collaborative efforts (see Boxes C to F) provide an opportunity to harmonise social and ethical certification schemes and improve the communicability of products' social impacts.

An example of a harmonized tool, albeit covering mostly environmental impacts, is the Green Electronic Council's EPAS Green Electronics Benefit Calculator (EPEAT), which highlights business to business (B2B) communication benefits from buying more sustainable electronics. Companies and others (e.g. standard setting organizations, NGOs) could be encouraged to develop a social equivalent of EPEAT to calculate the benefits of better social impact performance.

The Consumer Goods Forum's Sustainable Supply Chain Initiative

The Sustainable Supply Chain Initiative (SSCI) is a cross-industry collaborative programme to benchmark and recognise sustainability standards, launched in 2018. The Initiative aims at providing buyers and suppliers with clear guidance on which third-party auditing and certification schemes cover key sustainability requirements and apply robust verification practices. By undergoing benchmarking and achieving SSCI recognition, scheme owners signal a strong commitment to raising the bar while driving harmonisation.

More information at https://www.theconsumergoodsforum.com/initiatives/sustainable-supply-chain-initiative/

30X C

^{14 &}lt;a href="http://ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm">http://ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm

30X

Fair Labor Association (FLA)

The Fair Labor Association is a collaborative effort of companies, academic institutions and civil society organisations dedicated to protecting workers' rights around the world.

Tools available include a Sustainable Compliance Methodology, FLA workplace code of conduct, principles of fair labour and responsible sourcing, principles of fair labour and responsible production.

Tools downloadable for free at www.fairlabor.org/our-work/our-methodology

30X

Social and Labour Convergence project

The Social and Labour Convergence project is a collaborative effort in the global apparel and footwear sector. It is developing a converged assessment framework that supports stakeholders' efforts to improve working conditions in the global apparel and footwear supply chain. This project aims to help the industry to:

- Eliminate audit fatigue: avoid duplications and reduce the number of social & labor audits, by replacing current proprietary assessment tools
- Increase the opportunity for greater comparability of social & labor data
- Redeploy resources towards improvement actions
- Build mutual trust and respect, measure and understand working conditions and improve those conditions over time

The framework includes a standard-agnostic tool and verification methodology to collect relevant and essential data with the intention to replace current proprietary tools used by brands and manufacturers. In order to allow adoption at scale, the tool and verification methodology will be open source and publicly available.

More information available at www.slconvergence.org

30X F

The Sedex online platform

Sedex is an online collaborative membership platform for sharing ethical supply chain data (both company and factory level data) to minimize the risks and improve the supply chain practices of companies. Members can store, share and report on labour standards, health and safety, environment and business ethics. Sedex has members from 150 countries and covers 23 industry sectors. The idea is that thanks to the data sharing system, companies (both buyers and suppliers) can save time and money by avoiding performing several audits. The platform also aims to build a wide sustainability picture of a supply chain or industrial sector at country level.

More information available at www.sedexglobal.com

Similarly, online collaborative platforms enable companies to share social audit results and therefore assess the likelihood of risks in specific supply chains (see Box F).

The coverage of social impacts in consumer information tools

When assessing to which extent different consumer information tools, such as voluntary sustainability standards, ecolabels, social footprints and certification schemes, cover social impacts the following is found (more details in Annex 3):

- There is an uncoordinated proliferation of product certification schemes. This implies
 a proliferation of the criteria and the metrics on which the information and/or labels
 are based, which is confusing producers (WBCSD, 2011). It also makes it difficult for
 consumers to compare products.
- The social assessment in voluntary sustainability certification schemes (e.g. Rainforest Alliance, Ethical Tea Partnership, etc.) is often limited to a compliance verification through checklists of principles and criteria.
- The scope of social assessment is mostly limited to production and processing stages.
- Similarly, social impacts are most often assessed for workers and local community stakeholders, but not other relevant stakeholder groups such as consumers and society at large.
- Many existing labels already cover requirements from the ILO fundamental Conventions in their criteria. These Conventions are the most legitimate and are ratified by most of the UN countries, therefore they are considered as minimum requirement when addressing and communicating social impacts.
- The minimum or threshold percentage weight/volume of the product required to be certified before displaying the social responsibility seal on a product varies from one certification scheme to the other. This could be confusing and misleading for consumers.
- The on-product communication format varies over consumer information tools, but often includes a label/ symbol and some qualifying text.

The following recommendations for improving the coverage of social impacts in consumer information tools can be drawn:

- The assessment of social impacts should go beyond production and processing, and include distribution, consumption and end-of life stages, where relevant.
- Social impacts should be assessed for all relevant stakeholder groups, such as consumers and society at large.
- While there are a variety of issues going beyond labour rights that social impact communication can address, the ILO fundamental Conventions could be considered as a minimum requirement for consumer information tools.
- Cross-industry harmonisation of threshold levels (minimum weight/ volume of product that has to be in compliance with certification requirements) could support the provision of more reliable, and comparable, information for consumers.

III: HOW TO COMMUNICATE PRODUCTS' SOCIAL IMPACTS

This chapter showcases different ways of communicating product's social impacts, through a number of existing good practice examples.

Examples of on-product and off-product communication

Currently, communication of social impacts is mostly conveyed at company or brand – rather than product – level. Availability of product-specific impact data and agreement on how to aggregate different impact factors into a single communication pose challenges; and the limited space available on product/ packaging is often taken up by health, marketing, and/or environmental information.

However, **on-product communication** should be encouraged for social impacts, as it can be a powerful tool to get consumers' attention and foster behaviour change. It allows the consumer to directly access the information without an intermediary and can potentially reach every consumer who will use the product. This can be particularly useful for everyday shopping where consumers have limited time to choose their products. As social information 'competes' with the flood of other consumer information, the message and communication vehicle should be adapted for fast decision making at the point of purchase (see Box G).

The communication of social impacts should be simplified as much as possible, for an easy to read message at first sight, while more details can be provided elsewhere for those consumers that seek them (see Box H). Further information can be accessed via technology, e.g. apps reading QR codes placed on packaging (see Box L and M).

The consumer needs to be able to understand the product information provided. This can be particularly challenging or confusing when a symbol or logo is used without further explanation or specifications (e.g. a text box), or when complicated language is used. It is important to consider the different target audiences and their knowledge on the topic.

On-product communication is not always feasible due to limited product and/or packaging size, packaging regulations or requirements, or the need to provide other information. **Off-product communication** can provide a solution and also offers the potential for a dialogue with consumers. In person events can be an effective method to engage consumers, and make them feel part of a bigger movement (see Box I).

Online campaigns, social media and websites are increasingly used to reach a large number of consumers and reduce the cost of physical events. Retailers' and companies' websites provide great flexibility on how to display information about products' social performance and links for further information on supply or value chains (see Boxes J and K).

^{15 &}lt;u>http://www.groundswellinternational.org/ecuador/food-labeling-in-ecuador-will-the-power-of-people-triumph-over-the-power-of-the-food-industry/</u>

Ecuador's "traffic light" food labelling system

Although not a comprehensive social impacts communications tool, the concept of traffic light food labelling provides an illustration of simplified and accessible on-product communication (Figure 1).

Red (high), yellow (medium) and green (low) inform consumers on fat, salt and sugar content of processed food. Its simplicity and clarity makes it attractive and accessible to everyone (including people with low literacy skills, seniors and children). Thanks to this labelling system, several food manufacturers reformulated their products with previously high fat, sugar or salt content. Although this example addresses only one social issue (consumer health), its method could be used for other impact issues or supply chain hotspots. A challenge of "traffic light" messaging is in the weighting methodology (i.e. the ranking of social impacts) when communicating more than one social issue.

(https://www.salud.gob.ec/campana-etiquetado/)







Figure 1: Ecuador's 'traffic light' food labelling system

The on-pack communication of Mondelez's Côte D'Or chocolate bar

Mondelez's Côte D'Or chocolate bars use on-pack communication including the logo of 'Cocoa Life': a global, third-party verified programme that invests in sustainable cocoa farming, and a colorful text box inviting consumers to learn more about this initiative. Consumers are able to find more information on the programme, methodologies and results on the company's website, indicated on the packaging.

(https://www.cocoalife.org/)



M XO

BOX

Fairphone - a product and brand built on social (and environmental) sustainability

Fairphone's goal is to design a phone that lasts at least 5 years and creates positive social and environmental impacts across the entire phone's life cycle, and has gained the reputation as the world's first ethical phone. As a company, Fairphone adheres to social sustainability through creating 'Good Working Conditions' for its employees by improving health and safety, worker representation and working hours, and through improving responsible sourcing for 'Fair Materials', including from conflict-free or Fairtrade mines. It has established a policy framework around social sustainability that all partners must adhere to, and is an active member of the Clean Electronics Production Network (CEPN), supporting its mandate towards zero exposure of workers to toxic chemicals in the electronics industry.

Fairphone has adopted a creative approach to communication, built on its reputation for social and environmental impact, and involving its users in its story and functionality. For example, the company organises meet-ups known as #fairshares for users to share experiences and learn about the product's features. The phone is displayed as an example of new and fair technological development at the permanent exhibition of the Museum of Communication (COMM) in Den Haag, highlighting its success of a product and brand designed and built on positive social (and environmental) impact.

(https://www.fairphone.com/en/community/events/)

(https://www.fairphone.com/wp-content/uploads/2017/09/Ways_of_Working_ Together_Fairphone-1.pdf)

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The Walmart Sustainability Index

The Walmart Sustainability Index was developed in collaboration with suppliers, NGOs and The Sustainability Consortium. It allows collecting and analysing data across products' life cycles, and to identify significant environmental and social issues. Data is provided by suppliers through surveys. Walmart works with suppliers to identify improvement opportunities and integrate the collected information in decision-making tools throughout the business. The identified hotspots and improvement opportunities are summarized in product category sustainability profiles. The sustainability performance of suppliers is assessed annually, and top ranked companies are marked with a consumer-facing sustainability leader badge. This badge is however not specific to individual products. More than 700 Walmart product categories are covered by the index. (https://corporate.walmart.com/global-responsibility/environment-sustainability/sustainability-index-leaders-shop)

BOX K

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Websites and smartphone applications can also inform and educate consumers (see Boxes K, L and M) on the social implications of their consumption behaviour, including product use. But more information does not necessarily equal better information. The way the information is presented is crucial. For example, the communication of product's social impacts becomes more credible when illustrated with facts and concrete actions (see Boxes K and N).

The DOVE® Chocolate Bean to Bar Journey

As part of its long-term commitment to cocoa sustainability, DOVE® Chocolate, part of Mars Wrigley Confectionery US, conducted an assessment of women's involvement in West African cocoa farms and found women were not benefiting from cocoa production, even though they participate in more than half of cocoafarming activities. To help empower female cocoa farmers in Cote d'Ivoire, DOVE® Chocolate partnered with CARE®, a leading humanitarian organization fighting global poverty. Since 2015, the DOVE® Chocolate partnership with CARE® has powered the development of Village Savings and Loan Associations, now in 39 communities in Cote d'Ivoire, where almost half of the world's cocoa is sourced. DOVE® Chocolate communicates this through the brand's website, which tells the story of its 'chocolate making journey'. Through storytelling videos and graphics, visitors can learn more about sustainable farming practices and how the DOVE® Chocolate Brand is helping women access and secure finances to grow their cocoa farms. (http://dovechocolatejourney.tumblr.com/)

The GoodGuide mobile application

GoodGuide's mobile phone application with barcode-scanning allows consumers to instantly check a product's potential impacts on human health. The system uses a rating approach which takes into account the number of ingredients with health or regulatory concerns and the degree of these concerns. GoodGuide acquires data from over 1000 different sources, including scientific institutions, governmental agencies, commercial data aggregators, non-governmental organizations, media outlets and corporations. Its objective is to refresh product level information at least every 18 months.

GoodGuide uses an internal quality assurance and quality control (QA/QC) process to assess the data integrity and the credibility of data sources. External experts' reviews on data sources are also taken into account in the QA/QC. It has a library of more than 250,000 products. The application also provides a list of alternative products which score better than the scanned product. (www.goodguide.com)

BOX

My Green Code Platform ("Mi Código Verde")

"Mi Codigo Verde" is a platform in construction in Chile that aims to connect producers and consumers through transparency of information on product sustainability. The platform delivers reliable information on the social and environmental attributes of mass consumption products to Chilean consumers in a simple way to empower them to make more sustainable choices.

The information is collected directly from producers, but is reviewed and validated by a technical entity (Fundacion Chile). The validation follows indicators associated with the main impacts (hotspots) of each product, identified through a robust and science-based methodology that includes a review of more than 40 product sustainability certifications and other relevant sources. The producers' information is also synthesised and translated into a language more familiar to consumers based on the results of a local consumer study.

A key aspect of this project is to engage both producers and consumers in a winwin situation, where producers can auto-diagnose their weaknesses in order to improve them, and their attributes in order to communicate them to consumers, who in turn receive "digested" information that helps them make more informed decisions and start to value the social and environmental attributes of products. (http://micodigoverde.cl/)

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Patagonia's The Footprint Chronicles

Patagonia's The Footprint Chronicles is an online, interactive map of the company's factories and textile mills, as well as its suppliers' cotton farms. It is possible to click on each factory and access social data such as the proportion of male and female workers, average age, languages spoken and the factory's physical address. Additional information on working conditions, social impacts on communities and environmental performance is provided for some suppliers' sites. Customers can also read about Patagonia's efforts around Fair Trade, living wages, migrant workers and animal welfare. Through the company's blog, The Cleanest Line, Patagonia gives insights into the challenges of being a responsible company: https://www.patagonia.com/blog/.

Patagonia makes many garments, including fleece styles, in factories certified by Fair Trade USA. Success stories from employees who work at these factories are featured on the website, making the concept of Fair Trade very human and personal to the consumer. For instance, Than Win Tun, a factory worker in Thailand, said that "Fair Trade honors the workers and gives some of the sales profits to us. I want customers to know that when they buy the products, we also get the profit."

Patagonia is a founding and an accredited member of the Fair Labor Association, which randomly audits a sampling of factories every year. Consumers can click on a specific product and see exactly where and how it is produced. (www.patagonia.com/footprint.html)

The "aVOID" plugin for fair online shopping

The "aVOID" plugin for fair online shopping is a downloadable plugin helping to identify products which are not associated with child labour. It works with major shops such as Asos, Yoox, Amazon, Target, Macys, Zalando, Google shopping, Frontlineshop and Otto. In total, it covers products from 280 manufacturers. (www.avoidplugin.com)

On-product information can provide a first point of contact to direct consumers to off-product websites with more detailed information e.g. QR or bar codes via mobile phone applications (see Box L and M). However, consumers in remote areas may not have access to smartphones and/or the internet, and the skills required for this technology could be challenging for some consumers (e.g. the elderly). Also, not all consumers might have the time or inclination to get more information online.

Infographics (Figure 2) can be a user-friendly way to present products' social impacts to consumers, as figures and symbols are easy to understand in comparison with lists of figures or a long report. Colours, symbols and style can be adapted to local context, and used online and as printed posters in stores or campaigns. For example, Figure 2 communicates the interim progress that Nestle's Cocoa Plan has made and the key achievements using images and numbers to summarise highlights.



Figure 2: Communication of the progress made with the Nestlé Cocoa Plan (www.nestlecocoaplan.com)

IV: HOW TO IMPROVE COMMUNICATION OF PRODUCTS' SOCIAL IMPACTS

While a number of good practices exist, such as those outlined in the previous chapter, much more can be done to improve the way consumers are informed about products' social impacts and encouraged to take action.

First, consumer expectations and information demands sometimes differ from what is legally required or regarded as important from a scientific or marketing perspective. These differences can be reconciled by developing and applying a deeper understanding of consumer interests and insights to find an appropriate level of sustainability information to meet their needs; and by using drivers to motivate and establish an emotional connection to more sustainable products (UN Environment, International Trade Centre, 2017). International Guidelines to improve the communication of products' sustainability performance, including social impacts, and empower consumers to make sustainable consumption choices, aim to assist this process (see Box P).

To be effective, the communication of social impacts needs to be contextualised and based on sound metrics and evidence, i.e. to communicate the right content, to the right audience through the right channel(s). To this end, it is essential for businesses to properly define their purpose and clearly identify the benefit(s) they bring to the world through their products. Once the purpose is defined, it is important to assess who the company wants to reach and why, i.e. defining the target audience(s). Indeed, research shows that gender plays a role in how people approach sustainable consumption and react to different types of advertising claims (Wang and Wu, 2016; Pinto et al., 2014). Considering that women are a dominant driving force of consumer spending (HBR 2009), and their impact on the economy is growing every year, it is important for companies to consider gender implications in order to produce effective claims for each audience.

The functional, emotional and social benefits of the product's sustainability attributes should be made obvious for the consumer. The communication content and channel are then chosen according to – as specifically as possible – the target audience (James R., 2010). Key performance indicators to measure the strategy's success must also be defined as early as possible, and tracked over time for adjusting the strategy. The Quantis Communication Canvas (Figure 4, p. 24) provides one such tool for this process.

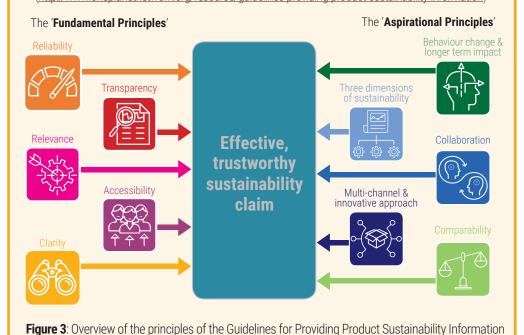
Further, the importance assigned to different social issues (Bemporad R., 2012) and the trust in specific communication formats (Nielsen, 2015) vary across, and sometimes even within, regions; as well as from one target audience or stakeholder group to the other. Consequently, the communication of products' social impacts needs to take these nuances into account; for instance, Leelakulthanit and Hongcharu (2012) have found that women are more willing to buy an environmentally friendly car than men. Therefore, to be effective, consumer information of social impacts should take into consideration the gender perspective.

As outlined above, products' social impacts are often communicated to consumers at the point of sale through labels and other on-product tools, or on company websites. However, media reports, campaigns, social networks and consumer reviews are increasingly trusted

The Guidelines for Providing Product Sustainability Information

In a process led by UN Environment and the International Trade Centre, the One Planet network Consumer Information Programme (CI-SCP) developed international 'Guidelines for Providing Product Sustainability Information'. The Guidelines propose fundamental ('must be met') and aspirational ('should be met') principles to help information providers avoid greenwashing and improve their product sustainability communication (Figure 3). The principles are valid for environmental, social and economic information, and thus can be used to identify best practices of social impact communication.

(http://www.oneplanetnetwork.org/resource/quidelines-providing-product-sustainability-information)



sources of social impact information (Nielsen, 2015). Information providers should investigate which methods are most trusted in their target locations, but also not restrict themselves to using only one or a few approaches.

In B2B relations, social impacts are often communicated in detail through reports (e.g. social risk assessment, social footprint), fact sheets or other templates. For example, suppliers could use a complete S-LCA or social footprint to compare their products to alternatives and use this as competitive differentiation. This also facilitates discussions with partners regarding improvements at specific life cycle stages or unit processes. A regular update of the complete assessment of social impacts allows supply and value chain actors to measure progress and to maintain trust between business partners. It also allows businesses to align communications content (claims and stories) with their hotspots and points of excellence (Fontes J., 2014).

Moreover, communication content and format should create an emotional connection with

consumers to help turn willingness to consume more sustainably into action (see Box Q). For example, sharing the positive experiences of consumers can influence other consumers' perceptions of a product, and consequently their behaviour. Communications should also combine rational thought with emotion (Williams D., Kolster T., 2013) by translating sustainability issues into simple, actionable and emotional elements. This should help consumers to feel more responsible for the impacts of their consumption choices, and make them aware that their decisions can influence companies and manufacturers and the marketplace.

QUANTIS COMMUNICATIONS CANVAS

PROJECT NAME & CONTEXT: Overview of the context of the project. What is this all about? Why are we doing this

Objective Target Audience Key Message Channel · How will you reach your • What are you trying to · Who is this comm, aimed at? · What is the core message you would like the audience target audience? achieve? • Who are they? (include demoto come away with after · Consider: when, where, and · What is your definition of & psycho-graphics) seeing this communication? via what medium? successi • What is their knowledge · What are your sustainability • What impact do you want to about sustainability? · What is the context in which actions or advantages? they will see this? have? • What are their existing beliefs • Outline primary and • What do you want your about the brand with relation to sustainability? • How will they learn about it? secondary key messages audience to think, feel and do What is the most visually and as a result of seeing this? • What are the key metrics to · How open will they be to the verbally appealing format for support your story? message? taraet audiences?

QUANTIS COMMUNICATIONS CANVAS: Basic filled-out example

Quantit&



Figure 4: The Quantis Communication Canvas

Furthermore, it is important to assess both negative and positive social impacts of products, and ensure 'burden shifting' between different impact categories is avoided, to provide consumers with a more complete – and truthful – picture of the product's social performance and allow them to identify products with a net positive social value (Box R), i.e. a product life cycle whose positive social impacts exceed negative impacts, by impact category, and whose negative impacts are being addressed (Norris, G., 2016).

Promoting sustainable behaviour - UC Berkeley's guide to successful communication

Social marketing principles can be used to promote socially responsible purchasing and product usage behaviour. Firstly, it is of great importance to attract and keep the attention of the target audience with accessible language. Using empowering messages, surprising people with unexpected schemas, telling emotional stories instead of complex statistics or building their curiosity can help attract consumer attention. To maintain attention and to promote behaviour change, it is necessary to use a persuasive message by emphasizing the core information and avoiding the use of ambiguous terms or expert language.

All claims should be backed up with data, facts and verifiable references, provided via alternative channels alongside methodological aspects and assumptions for those seeking in-depth information. Using a personal style and connections (e.g. quantities per person, possible positive impacts per person) and letting people feel that they can or will make a difference can also encourage them. The message can be more persuasive when it is associated with things that people like (e.g. funny events, foods, likeable persons). Leaders, celebrities and authorities can be good channels to spread sustainability messages. (http://sustainability.berkeley.edu/sites/default/files/Promoting_Sustain_Behavior_Primer.pdf)

The Net Positive project

The Net Positive project is a coalition of companies, think tanks, NGOs and academia aiming to create and implement a new business approach in which companies can make profit while putting back more into society, the environment, and the global economy than they take out (Net positive - a new way of doing business, 2014). One of the main objectives of this initiative is to generate a common agreement on how to measure and communicate net positive claims. The Net Positive project has developed a set of principles for Net Positive that serves as a guide for companies seeking to integrate it in their strategy, goals or metrics development and that also provides a framework for Net Positive methodology development. The Net Positive methodology for organizations addresses how organizations can measure, compare, and communicate about the positive and negative impacts associated with their products, processes, value chains, and other influences in the world. The net positive approach could be a promising way "to generate and assess results against the UN Sustainable Development Goals" (BSR, 2016).

(https://www.netpositiveproject.org)

From a business standpoint, communicating information on products' social impacts (following environmental impact communication examples) can create a community of consumers who share the value of the company, and thus build 'brand loyalty'. Here it is key that businesses provide evidence and improve their social impacts with credible data and verified facts (Yule G., 2016). It is also important to seek a longer-term interactive relationship with consumers (UN Environment, International Trade Centre, 2017, see for instance Box H).

This approach requires not only talking 'to' consumers, but also 'with' them. This means a replacement of one-way 'push' commercial communication with a consumer engagement approach (Yule G., 2016, see for instance Box M). Feedback from all stakeholders, and consumers in particular, is a relevant source to identify emerging social issues and concerns which should be addressed in companies' business models and incorporated in their communications (Figure 5).



Figure 5: The virtuous cycle of communicating social impacts (Yule G., 2016)

V: SUMMARY OF RECOMMENDATIONS

The following recommendations summarize conclusions drawn from the examples analysed in the previous chapters, and reflect the consultations that were led with the expert working group. They include a non-exhaustive list for *how* and *what* to communicate regarding products' social impacts, and ideas for how governments, companies, NGOs and standard/certification bodies can intervene to support and improve product social impact claims.

Recommendations for communicating products' social impacts

All communication of products' social impacts should follow the fundamental principles of the 'Guidelines for Providing Product Sustainability Information' (Guidelines) (UN Environment, International Trade Centre, 2017), and gradually apply the Guidelines' aspirational principles (see Figure 3). The Guidelines cover impacts across all three sustainability dimensions, while the recommendations below focus on social impacts. This is not to say that environmental and social impacts should necessarily be communicated separately, but responds to the observation that social impact communication is less common and often competes for limited product/packaging space and consumer attention. References to the Guidelines' principles that the recommendations below focus on are provided in brackets.

What to communicate

- Only communicate information which comes from credible and verified sources, backed by data and facts (Guidelines principle 1 Reliability).
- Focus on the social impacts which are relevant to the particular product and for which performance goes beyond what is already required by law. Focus the communication on the main social issues to avoid overloading consumers, while assessing all relevant 'hotspots' to avoid burden-shifting and ensure the overall social sustainability performance is positive. This might entail assessing impacts beyond production and processing, e.g. distribution, consumption and end-of-life stages; and for wider stakeholder groups such as consumers and society at large. Avoid vague and general social benefits claims (Guidelines principle 2 Relevance, principle 3 Clarity).
- The social aspects to communicate depend on the product group and the target audience. In general, consider the social areas covered by the ILO fundamental Conventions as a minimum requirement. These Conventions have an important international legitimacy and are ratified by most countries. Include additional aspects according to the assessed supply/value chain and the geographical locations covered.
- Research and global surveys suggest that certain specific social impact categories seem to be particularly important for consumers: working conditions, community development, and health and safety (Cone communications, 2013; Sustainly, 2015).
 These are well in line with international frameworks and guidelines. Assuming that these categories cover relevant hotspots, begin by communicating on these issues.
 Where deeper knowledge of social impacts has been developed, consider more

impact categories. Consider that it is also important to raise consumer awareness of important social issues which do not yet get the attention they deserve (Guidelines principle 7 – Behaviour Change and Longer Term Impact).

- Inform consumers, either through the claim or additional information (online etc.), about:
 - The life cycle stages that have been evaluated
 - The extent to which the value chain has been assessed
 - The improvements made in the past, and actions the company is taking to ensure continuous improvement

How to communicate

- Use simplified, transparent, persuasive and accessible language (Figure 4). Provide consumers with the core information and avoid the use of vague or technical language make the functional and social benefits of the product obvious in the consumer's own terms (Guidelines principle 3 Clarity; principle 7 Behaviour Change and Longer Term Impacts).
- Contextualise the communication of products' social impacts by using the right communication content for the right target audience, through the right communication channel (Guidelines principle 5 Accessibility; principle 8 Multi-Channel and Innovative Approach). For example, labels and on-pack text-boxes are more appropriate for individual consumers while scientific reports and fact sheets are more convenient in B2B or B2Government relations. The Quantis Communications Canvas (Figure 4) uses an audience segmentation technique as a practical way to identify different groups of consumers/stakeholders and to adapt communication content accordingly.
- Amplify the message by communicating via multiple channels (e.g. on-product claim, QR codes, online, apps, brochures, infographics) and with repetition (i.e. numerous occasions, different locations) in order to add to the 'limited' potential impact of on-product information, to 'cut through the noise' of information overload, and to reach different target groups (Guidelines principle 8 – Multi-Channel and Innovative Approach; principle 9 - Collaboration).
- Engage with consumers in a continuous dialogue and build a longer-term interactive relationship with them to create a community who shares the values of the company (Figure 5) (Guidelines principle 7 Behaviour Change and Longer Term Impact).
- Promote sustainable behaviour by using an inclusive language to attract and maintain consumers' attention (Box Q). Use a personal style to inform consumers on their potential contribution to positive changes in society through product purchases, usage and end-of-life decisions, and let them feel that they can make a difference (if you can quantify it). Use empowering messages and catch the interest of consumers by associating the message with things that people like (funny events, foods, celebrities...) (Guidelines principle 7 Behaviour Change and Longer Term Impact; principle 8 Collaboration).
- Where possible, communicate social impacts on products/ packaging, as this is better adapted to fast decision making at the point of purchase. Back the product claims with easily accessible data, facts and verifiable references (Guidelines principle 1 – Reliability; principle 5 – Accessibility). Use off-product communication, such as campaigns or other awareness raising activities to reinforce the on-product

messages and satisfy consumers' appetite for additional information (Guidelines principle 4 – Transparency; principle 8 – Multi-Channel and Innovative Approach). Where relevant, use on-pack text boxes to clearly specify the percentage of the product/ingredients which are sustainably sourced.

Recommendations for supporting the communication of products' social impacts

Governments and Non-Governmental Organizations (NGOs)

- Encourage companies to be proactive in the assessment of potential social risks in their value chains and to convert the potential pressure of civil society into an opportunity for internal change.
- Raise the awareness of companies on the benefits/business case of communicating products' social impacts and encourage them to do so. In the first place, not communicating or not being transparent on supply chain sustainability issues creates reputational and operational risks for companies and brands (Deloitte, 2014).
- Include social criteria in public procurement tenders, to improve conditions and create market incentives for products that address social impacts.
- Encourage and assist pioneering companies to develop case studies, promote success stories and pilot test tools. This can inspire other companies to follow.

Companies

- Identify and assess the risks and potential benefits of social elements of sustainability in a value chain and communicate on these benefits internally to create buy-in and commitment across the company.
- Use Key Performance Indicators to measure the success of communication tools and to identify emerging social issues and concerns. Anticipating the expectations of consumers and other stakeholders can help to adapt strategies accordingly and to maintain trust.
- Take into account how different regions and target audiences perceive trust in different communication formats (webpages, social networks, TV programs, events...) and act upon accordingly (example: The Nielsen Global Trust in Advertising report, 2015).
- Mainstream sustainability into business operations over time. Consumer choices are often more influenced by brand reputation than product attributes the better the brand's sustainability reputation, the more value can be perceived by consumers in each of its products. As brand reputation is built on long term consistent performance, companies can improve their brand reputation by including sustainability as a central part of their business model and value proposition. At the same time, it is crucial to ensure the distinction between brand and product level performance is clear to the consumer, i.e. if the sustainability of one product is improved, this should not be mistaken for all products of the brand (unless this is the case).
- Engaging with stakeholders (including consumers) is key to effective communication
 of products' social impacts. Through open, sincere stakeholder dialogues and
 transparent, truthful social media, companies can increase brand or product credibility.

Collaborative efforts and harmonization of certification schemes

- Encourage cross-industry efforts to harmonize existing and new social and ethical certification schemes and to improve the communication of products' social impacts. Governments and NGOs should continue to support such collaborative efforts and help bring key actors together. For example:
 - Cross-industry initiative(s) to harmonise minimum or threshold percentage weight/volume of products required to be certified before displaying a social responsibility seal on a product
 - The integration of social criteria in existing ecolabels, rather than the development of new ones, can also be a good starting point for the harmonisation of existing certification schemes
- Support voluntary sustainability standards and labels to provide a good vehicle to communicate complex and comprehensive information to consumers. Governments, NGOs, and scheme owners can provide incentives through awareness raising activities, especially regarding the identification and the interpretation of labels and standards by consumers.
- Improve the coverage of social criteria in voluntary sustainability standards with specific performance indicators as developed in the Handbook for Product Social Impact Assessment (Roundtable for Product Social Metrics, 2016).
- Support third party verifiers of social impacts through capacity building and resources, in order to enable and improve the verifiability of social data and impacts in complex supply and value chains.
- Motivate companies to assess and communicate their products' social impacts by providing guidance documents, and harmonized and accessible tools.
- Encourage companies to harmonise their approaches, social criteria, questionnaires and tools.
- Collect and highlight good practices on social impact communication from developing countries.

Methods, tools and guidance

- Update the existing Guidelines for Social LCA to reflect the current state of practice, in particular on the topics of data, impact assessment method, interpretation and application. This will support companies' efforts to apply the method and develop communication based on their resulting assessments. A project to this end is underway in the framework of the Life Cycle Initiative.
- In addition to existing sustainability standards and certification schemes, develop specific methods, tools and practical guidance for the assessment and communication of the social impacts of specific product groups and value chains. Sector or industry associations should be encouraged to develop specific tools for their coverage. Such tools and associated guidance should be accessible to marketing and communication managers. As outlined above, social impact categories, stakeholder groups and communication formats may differ according to the product group and value chain assessed.
- Promote the use of S-LCA and hotspots analysis to identify the most important aspects in a given value chain in the context of human rights due diligence. The involvement of stakeholders in the validation and the communication of these hotspots to consumers should be encouraged.

These recommendations, though not exhaustive, require inspiration and action from all actors across the value chain. Collaboration between these actors, and across sectors, will increase their likelihood and effectiveness.

The One Planet network, as a network of public, private and third sector actors collaborating on a global level with ties to the SDGs, is well-placed to help drive action on these recommendations. The Consumer Information Programme aims for collective impact and collaboration. Organizations interested to learn more about the Programme, to share ideas and join the network are invited to contact ciscp@un.org.

For more information: http://www.oneplanetnetwork.org/consumer-information-scp

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ANNEX 1: COMPARATIVE ASSESSMENT OF SOCIAL METRICS OF PRODUCTS

	Level of assessment	Life cycle perspective	Type of approach	Social categories covered
UNEP/SETAC guidelines on S-LCA of products	Same as LCA e.g. Product/ Organisation/Country	Whole life cycle/ value chain	Guidance on quantitative, semi-quantitative and qualitative approaches	Human rights, working conditions, health and safety, cultural heritage, governance, socio-economic repercussions
SETAC methodological sheets for subcategories in social life cycle assessment	Same as LCA e.g. Product/ Organisation/Country	Whole life cycle/ value chain	Quantitative, semi- quantitative and qualitative	Human rights, working conditions, health and safety, cultural heritage, governance, socio-economic repercussions
Handbook for product social impact assessment	Product	Whole life cycle/ value chain	Quantitative and qualitative	Health and safety, child labour, forced labour, fair wage, well-being, employment-resources-infrastructures, freedom of expression and discrimination, awareness-training-education
BASF AgBalance methodology	Product and sector	Whole life cycle/ value chain	Quantitative approach	Working conditions, skills and knowledge, health and safety, employment, gender
WBCSD Social Metrics for Chemical Products in their application	Product	Whole life cycle/ value chain	Scale based- approach and quantitative as optional / quantitative, semi- quantitative and qualitative	Health and safety, basic rights and needs, well-being, skills and knowledge, employment

	Stakeholder groups considered	Main assets to improve Consumer information tools	Performance reference points provided?	Single social index (weighting¹)
UNEP/SETAC guidelines on S-LCA of products	Workers, local community, society, consumers, value chain actors	Guidance on how to develop and implement social metrics for product	Guidance is provided on how to define and use reference points	No, but left as option to be used with caution
SETAC methodological sheets for subcategories in social life cycle assessment	Workers, local community, society, consumers, value chain actors	Guidance on how to link social sub-categories to stakeholders' groups for a product, examples of indicators and social data sources for products	No	No, but left as option to be used with caution
Handbook for product social impact assessment	Workers, consumers, local communities	Indicators and quantified social scores for products instead of long checklist of "must do" criteria used in vsss	Yes	No, but left as option to be used with caution
BASF AgBalance methodology	Farmers, consumers, local communities, international communities, future generations	Quantification of sustainability results for products, could be used in VSSs to score, rank and compare products, visualisation tool, social database	No	Yes, calculated with weighting and relevance factors
WBCSD Social Metrics for Chemical Products in their application	Workers, consumers, local communities	First global and sector-specific guidance that can be used to assess and communicate social impacts of chemical products	Yes	No, but left as option to be used with caution

¹ Weighting: apply a weight factor to normalised results and sum them up to calculate a single score

ANNEX 2: COMPARATIVE ASSESSMENT OF SOCIAL DATA SOURCES

	Social Hotspot Database (SHDB)	PSILCA	Ecovadis	Maplecroft's Human Rights Dataset
Category	Social LCA database, risk maps and indices and human rights due diligence tools	Social LCA database	Supplier assessment tool	Risk maps, indices and reports
Short description	Data on social risks by sector, country And risk theme	Generic data on social risks by sector and by country	social risks by sector monitoring tools	
Geographic scope	Global, 227 countries and territories	Global, 189 countries	Global, 140 countries	Global, 198 countries.
Covered sectors	57 economic sectors	15 000 industry sectors and commodities	150 economic sectors	No sector level, 100 commodities
Covered social areas	Labour rights and decent work, health and safety, human rights, governance, community infrastructure	Labour rights and decent work, health and safety, human rights, governance, local sustainable development	Labour practices, human rights, business ethics, sustainable procurement	Human security, labour rights and protection, civil and political rights, access to remedy and development issues
Life cycle perspective	Full life cycle	Full life cycle	Supply chain	N/A
Type of data	Economic sector, country level, unit process	Economic sector, country level	Company (suppliers) level and country specific factory level	Country level
Type of indicators	Quantitative and qualitative	Quantitative and qualitative	Quantitative and qualitative	Quantitative
Available in LCA softwares?	Yes, SimaPro, OpenLCA and online platform	Yes, OpenLCA	No, collaborative online platform	No, online platform
Data quality	200 publically available data sources (International organisations, statistic agencies) coupled with MRIO databases and Ecolnvent	Eora MRIO database as backbone, statistical agencies, private and governmental databases, UN system	Data from companies (CSR reports, certifications, labels, standards, etc.)	Generic data
Identified limitations	Generic literature data, not site specific, need to be subscriber or license owner	Generic data for generic sectors and processes, need to be license owner	CSR data at company level, not product specific data, need to be registered member	Generic literature data, not product specific, need to be subscriber or registered member

ANNEX 3: COMPARATIVE ASSESSMENT OF CONSUMER INFORMATION TOOLS

	EU Ecolabel (Flower) (ISO type I)	SA 8000	Social Footprint- Product Social Identity (SFP)	Fair For Life Social and Fair Trade certifications	Ethical Tea Partnership (ETP)
Covered products or sectors	Several consumption products, food and medical excluded	All industrial sectors	All types of products and organisations	Agri-food, aquaculture, wild collected, cosmetic and beauty, textiles, artisanal, tourist services, small scale mining	Tea
Geographic scope	Global	Global	Global	Primary intended to smallholder farmers in developing countries	16 countries (Africa, Asia, South America)
Social data and corresponding life cycle stages	Site specific data collected on production and manufacturing sites	Worksite data of companies, sub- contractors and suppliers	Organisation and product-specific data collected along the supply chain	Organisation and product-specific data collected during production and handling operations	Site specific data collected on production, harvesting and processing sites
Compliance with international conventions and guidelines	ILO core conventions, UN Global Compact, OECD Guidelines	UN Declaration of Human Rights, ILO core convention	OECD guidelines for multinational enterprises, Universal declaration of human rights, ILO conventions	ILO conventions, FLO standards, SA 8000 and ETI Base code, ISEAL code of good practice	ILO core conventions
Independent verification	Compliance check and certification by external scientist	By certified auditors	audit by certification body every three years	annual audit by trained auditors	third party auditors
Involvement of stakeholders	Expert Panel including consumer organisations	Expert consultation and public consultation	Stakeholder committee of affected parties' representatives	Inputs from industry actors, experts and other stakeholders	No stakeholder panel
Communication format on the product	Symbol (flower), text boxes	Not a product certification	Labels: detailed supply chain info, QR code	Fair for life seal on products	ETP label
Regular update	Yes	Yes	Yes	Yes	Yes

	Roundtable on sustainable Palm Oil (RSPO)	Fairtrade standards	Rainforest Alliance label	East African Organic Product Standard
Covered products or sectors	Palm oil	Agri-food, gold, honey, sport balls, wine	Agri-food (more than 40 crops)	Plant production, animal husbandry, bee-keeping, and collection of wild product
Geographic scope	Global	Global	Global	East Africa
Social data and corresponding life cycle stages	Site specific data collected on production, harvesting and processing sites	Site specific data collected on production, harvesting and processing and sale sites	Site specific data collected on production, harvesting and processing sites.	Site specific data collected on production and collection site
Compliance with international conventions and guidelines	ILO core conventions, UN guiding principles on business and human rights	ILO conventions	ILO core conventions, UN declaration of human rights, UN convention on the right of child	ILO core convention
Independent verification	third party auditors	national fairtrade organisation, Fairtrade international or a designated agent	Verification through the rainforest auditing division.	Verification by certification bodies
Involvement of stakeholders	Panel of stakeholders including NGOs	Stakeholders engaged in monitoring and evaluation	Regular public consultation	Organic movements, national standardisation bodies, private sector, NGOs
Communication format on the product	Symbol	Fairtrade label and qualifying statement	Rainforest seal and qualifying statement	EAOPS label and text box
Regular update	Yes	Yes	Yes	No



To encourage progress in this emerging field and inspire companies to 'shout it out', the Consumer Information Programme has developed this white paper whose primary objective is to identify good practices of product-level social impact communication that can provide inspiration, and be built upon or replicated. It identifies relevant principles, criteria and means to communicate such impacts, including recommendations on integrating social impact communication with more well-established environmental impact communication tools. While the focus lies on business to consumer (B2C) communications, the recommendations given are also valid for business to business (B2B) and business to government communications.

The target audience of this white paper are, primarily, companies and standard-setting/ labelling organizations (i.e. those who communicate), but recommendations on how to support progress are also provided for governments, non-governmental organizations and relevant initiatives.

In this paper, social impacts are understood to be the consequences of positive or negative pressures on the well-being of stakeholders in a product's life cycle (from cradle to grave) or one of its phases (production, consumption or disposal) (Benoît Norris C. et al, 2009). The focus is on impacts at product (goods and services) level, rather than at the level of a company or brand. However, it is important to keep in mind the overlap between product life cycle impacts and companies' wider value chain impacts. The paper is intended to link to the Consumer Information Programme's Guidelines for Providing Product Sustainability Information (UN Environment, International Trade Centre, 2017).



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