

IRBC in the natural stone chain

Through International Responsible Business Conduct (IRBC), more and more companies in the natural stone chain want to contribute to a better world. These companies consider it important to identify and address risks to people and the environment, not only in the Netherlands and Flanders, but also in the countries where natural stone comes from. Their customers, be they trade partners, consumers or contracting entities, are also increasingly calling for this. What's more, European IRBC legislation has been adopted as well (see box).

Agreements made under the TruStone Initiative (and under the legislation) have their origins in the OECD Guidelines set out for IRBC. These guidelines prescribe a *due diligence* process as a means of ensuring an appropriate level of prudence. This means that companies are required to assess the extent to which they are involved in human rights, environmental or animal welfare abuses in their production or supply chain and, where necessary, do their utmost to reduce them. Companies that have joined are supported by an independent secretariat and can work with other companies and civil society organisations to address risks effectively.

Legislation and guidelines

European <u>legislation</u> (information in Dutch) is in place that imposes requirements on companies concerning human rights and the environment (the Corporate Sustainability Due Diligence Directive - CSDDD) and obligations on how to report on these (the Corporate Sustainability Reporting Directive - CSRD). This legislation also applies to companies in the natural stone chain, as they have to start reporting themselves or otherwise provide information to other companies that are subject to these reporting requirements. The SER provides a wealth of <u>information</u> on this (in Dutch). There is an <u>English FAQ document</u> available on the CSRD.

The legislation is based on the <u>OECD Guidelines</u> for multinational enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and the ILO Core Labour Standards that form part of them. Companies participating in the TruStone Initiative have a head start as they are already taking steps to comply with the legislation and guidelines.

Added value for companies

The TruStone Initiative is the IRBC Agreement for Dutch and Flemish companies in the natural stone sector and for companies with a commercial agent in the Netherlands or Flanders. TruStone brings these companies together with other organisations to identify and address risks to people and the environment in the chain. This includes issues such as discrimination & gender, child labour, forced labour, living wage, freedom of association & collective bargaining, health & safety, land rights and the living environment.

Support

International guidelines require importers to carry out a due diligence process. This process comprises several steps. First, mapping your chain: where exactly

does the natural stone you use or trade come from? Second, mapping the risks in your chain: what are the risks and what will you do to mitigate the most serious risks as best as you can? In a plan of approach, companies are transparent about their efforts. The requirements for this process depend on how many years your company has been a signatory to the Agreement.

Processing companies also have an important role to play. They are expected to question their suppliers. If suppliers show no intention to adopt socially responsible business practices even after repeated requests, then find another supplier.

Both importers and processors can obtain advice and support from the independent secretariat under the auspices of the Social and Economic Council of the Netherlands (SER). Participating companies also receive tools available only to them, such as research reports and retail materials. Besides this, we also share knowledge and best practices within the Agreement.

Collaboration

Companies are expected to do their best to address the most serious risks in their chains. As a single company, this is sometimes difficult. Within TruStone, companies can work together to make improvements in the chain through joint <u>projects</u> with governments, trade unions and (local) NGOs. As an example, watch this video from Rajasthan, India.

Market opportunities

Companies participating in the TruStone Initiative communicate their <u>plan of approach</u> externally through the TruStone website (and almost always through their own communication channels). This makes your efforts, as a company, visible in the chain in an honest and professional way. It puts your company in the spotlight as a market player with a plan for responsible business practices and increases your market opportunities.

The TruStone Initiative is in discussion with natural stone buyers at home and abroad to make participation in the Agreement at least equivalent to the certificates that some buyers are demanding. TruStone is also working to encourage Dutch and Flemish contracting entities to adopt socially responsible procurement (SRI) practices more often. The aim is to give companies that are committed to IRBC a better chance of winning tenders than companies that are not signatories to the Agreement. TruStone is exploring ways to extend the Agreement to other European countries.

Companies in the natural stone sector are welcome to join the TruStone Initiative!

Composition and way of working

The TruStone Initiative is made up of a wide range of <u>members</u> in order to work together to make a difference. In addition to importers, it also includes kitchen, tile and gravestone companies. Participating importers and natural stone processing companies represent about 30% of the Dutch market and about 65% of the Flemish market. Flemish and Dutch trade unions, NGOs and governments have also joined. Dozens of municipal and national governments from the Netherlands and Flanders are also part of the Agreement.

Their financial contribution to the Agreement depends on the type and size of the organisation. <u>Contact</u> the secretariat for more information.

The policy governing the Agreement is determined by a steering committee made up of all levels and chaired by an independent chair.

Complaints and disputes

The Agreement provides a mechanism for an <u>independent Complaints and</u>
<u>Disputes Committee</u>. This committee handles reports from aggrieved parties in the international natural stone chains of the signatories. The Complaints and Disputes Committee ensures that complaints and disputes are handled in an accessible and confidential manner. Examples include complaints from aggrieved parties, disputes between signatory parties and disputes between a company and the TruStone secretariat. International guidelines require companies to have a hotline for complaints. This joint mechanism simplifies the process for participating companies.

The Complaints and Disputes Committee is chaired by an independent chair and consists of one member nominated by the Employers' delegation to the Agreement and one member nominated by the Employees' delegation and the civil society organisations to the Agreement.

Contact

The participants in the Agreement cordially invite you to join in and work together towards responsible business conduct in the natural stone sector.

Want to know more about what the TruStone Initiative can do for your company? Then get in touch with us!

InitiatiefTruStone@SER.nl +31 70 3499 630 www.TruStone.nl / www.TruStone.be



© 2024, Sociaal-Economische Raad |